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City of Berlin, NH 2000 ANNUAL REPORT



'BERLIN IN THE NEW MILLENNIUM'



BERLIN IN THE NEW MILLENNIUM

Fiscal Year July 1, 1999 to June 30, 2000



Mayor and City Council

Robert Danderson, Mayor

Ward I

Donald Duchesne
Joan C. Merrill

Ward II

Carole A. Lamirande
Richard A. Lafleur

Ward III

David D. Morin
James P. Wiswell

Ward IV

Paul R. Grenier
Richard E. Roy

Robert L. Théberge, City Manager

LOCAL GOVERNMENT OFFICES



City offices include:

| | | |
|-----------------------------|----------|---|
| AIRPORT | 449-2168 | <i>Eric Kaminsky, Airport Manager</i> |
| ASSESSOR'S | 752-5245 | <i>Susan Warren, Assessor Supervisor</i> |
| CITY CLERK | 752-2340 | <i>Debra Patrick, City Clerk</i> |
| CITY MANAGER | 752-7532 | <i>Robert Th  berge, City Manager</i> |
| COMMUNITY SERVICES DIVISION | | <i>Laura Lee Viger, Community Services Director</i> |
| ■ HEALTH | 752-1272 | |
| ■ RECREATION | 752-2010 | |
| ■ WELFARE | 752-2120 | <i>Angela Martin Giroux, Welfare Director</i> |
| ■ LIBRARY | 752-5210 | <i>Yvonne Thomas, Head Librarian</i> |
| ENGINEERING | 752-8551 | <i>James Wheeler, Public Works Director/City Engineer</i> |
| ■ PUBLIC WORKS | 752-4450 | |
| ■ GARAGE | 752-1460 | |
| FINANCE/COLLECTIONS | 752-1610 | <i>Aline Boucher, Finance Director</i> |
| FIRE DEPARTMENT | 752-3131 | |
| EMERGENCY | 911 | |
| ■ INSPECTION DIVISION | 752-3135 | <i>Maurice Lavertue, Building Inspector</i> |
| PLANNING | 752-1630 | <i>Pamela Laflamme, City Planner</i> |
| POLICE DEPT | 752-3131 | <i>Alan Tardif, Police Chief</i> |
| EMERGENCY | 911 | |
| SCHOOL DEPT | 752-6500 | <i>R. Bruce MacKay, Superintendent</i> |
| WASTE WATER TREATMENT | 752-8563 | <i>Mickey Therriault, Superintendent</i> |
| WATER WORKS | 752-1677 | <i>Roland Viens, Superintendent</i> |

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ANNUAL REPORT PREPARED BY:

Susan Tremblay, Administrative Assistant

City Manager's Office

**Photo Credits to: Eric Kaminsky, Barbara Tetreault & Pam Bouchard,
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MAYOR'S REPORT



We, as citizens have formed a new identity. We are proud of who we are and what we have accomplished. We no longer fear the future and what it might bring but delight in some of the possibilities that we will create. Gone are the words "we can't do that". They have been replaced with phrases like "let's try this" or "what if we do that?" To change is to grow. Continuing to do the same things the same way only produces the same mistakes. Berlin has learned those lessons and is sprinting forward to do things differently.

The Mayor, City Council and City Manager have worked well together through consensus building. Allowing for freedom of expression and acknowledging the right to differing opinions has resulted in a more tolerant and unified body. We have learned to listen to each other and have built upon each other's strengths. No one person dominates city government. We are a team that has the same goal – to make Berlin a prosperous place for our children.

The vitality of a city is expressed in the events that it showcases. Berlin's citizenry has been very active this past year. Let's reflect upon some of those events:

- Who could forget the Great Festival of Lights. The citizens of Berlin talked for months afterwards about what a wonderful parade it was and what a magnificent fireworks display. The citizens walked home feeling great pride to be a Berliner.
- Winterfest was a full week of events which involved all the communities represented by the Northern White Mountain Chamber of Commerce.
- The Fabulous Fifties Night highlighted those wonderful classic and antique automobiles; all polished up with the owners beaming and ready to answer the questions of the admiring spectators. The hustle and bustle of the other activities during this same event – with vendors selling food and other wares are a prime example of Main Street America – a spirit which so many cities try to capture but can't.
- The Logging Competition was a marvelous success. This event reaches into our history and helps identify who we are. It not only showed off the competitive logging skills of the men and women who entered the competition but highlighted the natural beauty of Berlin along the Androscoggin River.
- The Tour du Bois, a new biathlon, had over fifty teams from all over New England, competing in this first-time event. It involved cycling, kayaking and canoeing as its main focus. Many visitors commented that they had no idea how beautiful Berlin really is!
- The Festival du Bois, showcasing our heritage, our work, our music, our

care and our spirit had over 1500 visitors.

- Syttende Mai Festival, which celebrates Norway's independence, attracted 500 visitors from all over the country.
- Last but not least (my personal favorite) The Homecoming Parade. This event, like no other, shows the capability of our youth and the support of their parents, all working together. I had the pleasure of getting WMUR TV to cover our Homecoming Rally and view the four floats that our high school students created and built. The TV crew was amazed at the talent of the students. The reporter and camera person said that their high school homecoming could not compare to ours.

I'd also like to spend some time reviewing some of the recent physical changes which Berlin has experienced. This has been a tremendously successful year for water works improvements. The City has received over \$4 million in Federal grants to improve two inch galvanized water lines and the building of the Lancaster Street water tank. These improvements will provide better service and pressure for our water consumers with a side benefit of resurfacing the roads where the new water lines were installed. I would like to thank the citizens who were affected and inconvenienced by this construction for their patience and understanding while construction was in progress. This work is another step toward the improvement of Berlin.

Another large undertaking was the renovation of Marston School to accommodate three Kindergarten classes. The objective was to help alleviate overcrowding at the Brown and

Bartlett schools. A joint committee made up of council members, school board members and school administrators, was successful in developing a plan to complete the renovations of the old school for less than the \$85,000 appropriated. These are only a few of the highlights of what has been accomplished during the year 2000.

Berlin is heading in a positive direction. There is a focus on the job ahead and what needs to be done to get us there. Communication has improved dramatically between the Department Heads, City Manager and Council. Departments have been working together where their duties meet and affect each other. We in city government know our responsibility is to YOU, the citizens of Berlin.

One of the most convincing facts that makes me believe Berlin is on the road to success is the quality of its volunteers, its charitable organizations, the community commitment of its businesses, and the dedication of its citizens to family life.



Councilman David Morin, Mayor Richard Huot, and Mayor-Elect Robert Danderson

CITY MANAGER'S REPORT

Needless to say, the greatest economic impact to the City, this past fiscal year, was the opening of the Northern New Hampshire Correctional Facility. The facility, located on East Milan Road, will house 500 inmates by the end of the year 2000. Additional space is planned, by the State, for another 500 inmates by the end of fiscal year 2000 - 2001. Prior to the opening of the facility, contractual arrangements were made between the City Manager and the Commissioner to have local businesses provide needed supplies, materials, and services. The vast majority of staff and correctional officers come from the greater Berlin area.

With local elections held in November, five members were elected to the City Council one from each of the four wards along with a new Mayor. Both the senior members of Council and the City Manager have quickly brought the new members up to speed. Matters have been addressed in an expedient matter.

The City's new 'Sidewalk Improvement Plan' has resulted with improvements along Riverside Drive between the Twelfth Street Bridge and the Northern New Hampshire Community College. Also, the entrance to the City was greatly improved with new sidewalks and curb to curb paving of both Pleasant Street and Glen Avenue adjacent to Glen Avenue Park. Plans have been developed to continue with this program in other areas throughout the City.

Two dilapidated buildings were torn down, one on Burgess Street the other on Wentworth Avenue. The latter building had been partially burnt several years ago. The program, initiated by the City Manager, with funds provided by the Council, will focus on razing burnt-out and dilapidated buildings as part of a multiple approach to improve the visual appearance of the City and to attract new businesses and families to locate in Berlin.

The biggest negative impact to the City was a theft at City Hall which would not be resolved until the following fiscal year. Unfortunately, such a situation creates an overall tense situation for all employees. However, the City Comptroller worked diligently with the State Attorney General's Office to prepare all the documentation needed to prove beyond a reasonable doubt that the individual would receive a guilty verdict.

Two new Department Heads were hired. A quick replacement was found for the position of Welfare Director. Several months however, were needed to identify a qualified individual for the position of City Planner. Both newly hired individuals showed great confidence and experience and the Departments continued to work in an expedient and professional manner.

Economic initiatives were set in place to identify and accommodate new businesses wishing to relocate in Berlin. The newly acquired 309 acre parcel of land by the Berlin Industrial Development Park and Authority (BIDPA) on Route 110 is part of the City's economic development focus.

Overall, changes have occurred in the City at all levels. Nonetheless, the positive mood throughout the City is gaining impetus. Next fiscal year should prove to be ever better.

Submitted,

Robert L. Theberge

City Manager



RAPPORT ANNUEL DU GERENT DE VILLE

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Inutile dire, le plus grand impact économique à la Ville, cette dernière année fiscale, était l'ouverture de la Facilité Correctionnelle de New Hampshire Septentrional. La facilité, localisée sur la Route du Milan de l'Est, logera 500 détenus par la fin de l'année 2000. Selon l'État, l'espace additionnel est planifié pour un autre 500 détenus vers la fin de l'année fiscale 2000- 2001. Antérieur de l'ouverture de cette facilité, arrangements contractuels ont été faits entre le Gérant de la Ville et le Commissaire, que la plupart des matières et services seront fournis par les établissements locaux.

Avec les résultats des élections locales au mois de novembre, cinq nouveaux membres ont été choisis au Conseil de la Ville, un de chaque circonscription électorale et un nouveau maire. Les membres aînés du Conseil et le Gérant de la Ville ont mis rapidement les nouveaux membres au courant des affaires. Les matières ont été adressées d'une façon convenable.

Le nouveau 'Projet d'Amélioration du Trottoir' de la Ville a résulté avec l'améliorations dans trottoirs entre la rue du Douzième Pont et le Collège du New Hampshire Septentrional. Aussi, l'entrée à la Ville était amélioré grandement avec de nouveaux trottoirs et le goudronnement des deux rues attenantes. Des plans ont été mis au point pour la continuation de ce projet dans les autres quartiers de la ville l'année prochaine.

Deux bâtiments délabrés ont été abattues, un sur la Rue Burgess, l'autre sur la Rue Westcott. Ce bâtiment dernier avait été brûlé partialement il y a plusieurs années. Ce projet, initié par le Gérant de la Ville, est fourni avec les fonds grâce du Conseil, concentrera d'abattre les bâtiments délabrés selon 'une approche multiple pour améliorer l'apparence visuelle de la Ville au but d'attirer des nouvelles entreprises et des nouvelles familles de se localiser dans la ville de Berlin.

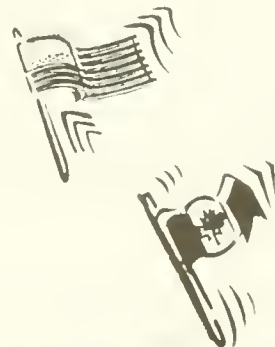
Le plus grand impact négatif à la Ville était un vol par une employée de Ville. Ce manque d'argent, au niveau de l'Hôtel de Ville, ne serait résolu jusqu'à l'année suivante fiscale. Malheureusement, une situation comme tel a créé une ambiance tendue pour tous employés. Cependant, le Contrôleur de Ville a travaillé d'une façon diligente avec la coopération du Bureau du Général de l'Avocat de l'État pour préparer toute la documentation nécessaire de prouver, au-delà d'un doute raisonnable, que l'individu recevrait un verdict coupable.

Deux nouveaux Chefs de Département ont été embauchés. Une remise, en place rapide, se trouvait pour identifier le Chef du Bien-être. Plusieurs mois cependant, a été eu besoin d'identifier un individu qualifié pour le poste de Planificateur de Ville. Les deux nouvellement embauchés ont manifesté une grande confiance et expérience nécessaire pour assurer que les travaux de ces Départements déroulent d'une façon efficace et ces deux chefs continuent à travailler dans une manière expédiente et professionnelle.

Des initiatives économiques, dans des endroits identifier, accommoderont des nouvelles entreprises qui souhaitent de se localiser au centre ville. Le nouvellement acheté de 309 acre, comme parcel pour le développement, par l' Autorité du Parc Industriel pour le Développement de Berlin (BIDPA) le long de la route 110, souligne ce but.

Plusieurs changements se sont produits dans tous les quartiers et à tous les niveaux. Néanmoins, l'humeur positive gagne élan. L'Année fiscale prochaine on espère d'y trouver plusieurs changements pour le mieux.

A soumis,
Robert L. Thiberge
Directeur de la ville



[illegible]

SUMMARY INVENTORY OF TAXABLE PROPERTY - APRIL 1, 1999 & 2000

| | APRIL 1, 1999 | APRIL 1, 2000 |
|-----------------------------|------------------------|-------------------------|
| Land | \$ 27,216,799. | \$ 26,956,359. |
| Building | 242,140,760. | 238,401,046. |
| Public Utilities | 69,881,000.* | 69,508,814.* |
| GROSS VALUATION | \$ 339,238,559. | \$ 334,866,219. |
| Blind Exemptions | 356,200. | 401,200. |
| Elderly Exemptions | 4,079,247. | 3,857,880. |
| Physically Handicapped Ex | 28,000. | 20,800. |
| Water/Air Poll. Cont. Exem. | 35,865,168. | 35,865,168. |
| TOTAL EXEMPTIONS | \$40,328,615 | \$40,145,048 |
| NET VALUATION | \$ 298,909,944. | \$ 294,721,171.* |

EXEMPTIONS GRANTED

| TYPE | APRIL 1, 1999 | | APRIL 1, 2000 | |
|-----------------------|---------------|-------------|---------------|-------------|
| Elderly | 210 | \$ 163,986. | 196 | \$ 160,372. |
| Blind | 24 | 14,319 | 27 | 16,678 |
| Physically Handicap | 6 | 1,126 | 5 | 865 |
| Water/Air Poll. Cont. | 5 | 1,441,780 | 5 | 1,490,915 |
| Veterans | 842 | 48,600. | 796 | 46,300. |

OTHER ACTIVITIES

| TYPE | APRIL 1, 1999 | | APRIL 1, 2000 | |
|------------------------------|---------------|--------------|---------------|-----------|
| Resident Tax | 5988 | \$ 59,880.00 | 0 | Abolished |
| Yield Tax | 20 | 19,907.65 | 15 | 19,015.52 |
| Property Transfers Processed | 373 | | 302 | |

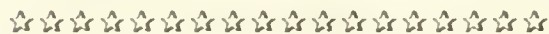
The total to be collected for tax year 2000 from City, Local School and County tax is \$ 9,983,954. and the amount to be collected from the new State Education Tax is \$ 1,923,025. The State Education Tax rate for tax year 2000 is \$ 7.69 per thousand and all other taxes total \$ 33.88 per thousand.

Submitted by:

Susan Warren

Assessor Supervisor

PUBLIC WORKS, ENGINEERING AND WASTEWATER TREATMENT



Wastewater Treatment Facility

The Wastewater Treatment Facility treated 788.61 million gallons of sanitary sewer flow, and 235,200 gallons of septage waste during the fiscal year. 1284 tons of municipal sludge were generated at the Wastewater Treatment Facility and were deposited at the Mt Carberry Landfill

Secondary Clarifier Drive Failure and Replacement

In the Spring of 2000, one of two secondary clarifier drive mechanisms failed at the treatment facility. Replacement of the drive was put on a fast track as the drive performs a key function of the treatment process. Replacement of the drive was accomplished at a cost of approximately \$30,000. Funding for this work came from Sewer User Revenues.

Treatment Plant and Watson St. Pumping Station Transformer Replacements

Electrical transformers for both the Watson St. Pumping Station and the Treatment Facility were replaced at a cost of \$22,367. Funding for this work came from Sewer User Revenues.

Headworks Evaluation

One of two comminutors failed during the fall of 1999 at the Treatment Facility. Rather than simply replace this equipment, the City Council moved that an evaluation be undertaken of the entire headworks facility. The purpose of the study was to examine the 21 year old facility for the purpose of determining the most beneficial and lasting equipment and building upgrades. The study was completed by Wright-Pierce Engineers of Topsham, Maine at a cost of \$13,870. The findings of the study were presented to the City Council who moved that the City go forward with the design and construction of new headworks facilities. Design and construction are scheduled for 2001 and 2002. Funding for this study came from Sewer User Revenues.

Pumping Station Upgrades

As a result of the new State Correctional Facility, constructed in Berlin, two City sewage pumping stations required upgrades in order to meet the higher flow rates generated from the correctional facility. The stations are known as the Armory and Dairy Bar pumping stations. Per the City's agreement with the State, all costs associated with the upgrades are to be born by the State. Upgrade work began in the fall of 1999 and peaked during the summer of 2000. As of the writing of this

report City staff has provided and continues to provide design and construction review and inspection. Although the project has taken longer than expected it is anticipated that it will be complete in 2001.

Utility Infrastructure Upgrades

There were significant water main replacements during the fiscal year. These projects are predominantly administered through the Berlin Water Works. Because the water main replacements impact sewers, drains, sidewalks and streets, there is a significant amount of coordinated effort between the Engineering/Public Works Departments, the Berlin Water Works and contractors. Much of this time is spent answering questions about existing utilities and reviewing repair work on damaged facilities. A significant amount of time is also spent on review and inspection of street restoration associated with the utility excavations.

In addition, pre- and post-construction video taping of sewer and drain lines identified problem areas in various pipe sections. These problem areas were repaired before final street restoration. Including the installation of 900 feet of new 8" pvc sewer on First Ave. and Mink St., approximately \$107,095 was spent on these repairs. Funding for this work came from Sewer User Revenues.

Solid Waste

The East Milan Road Landfill closure was substantially completed in October of 1996. Closure of the landfill launched the 39 year post closure monitoring program. Groundwater quality and methane gas production was monitored in accordance with the program.

The Cates Hill Landfill continued to receive demolition debris throughout the year. The end of the fiscal year marked the cease of operations at the landfill. The landfill is slated for closure construction in the summer of 2001. The discontinuance of the Cates Hill facility prompted the construction and opening of a new solid waste transfer station by the Androscoggin Valley Regional Refuse Disposal District.

The transfer station was opened in the Spring of 2000 to provide a transition period for use of one facility to the other.

Transportation

Street Markings

Center lines, edge lines, railroad crossings and crosswalks were painted as they are every year. The cost of this work was approximately \$4,900. The work included approximately 200,000 linear feet of striping and 17 railroad crossings.

Street Restoration

A significant amount of street restoration work was accomplished during the summer of 2000. All of the work was coordinated with street restoration associated with water main installations except for work on Enman Hill Road. All of the other areas cited below are contiguous to water main installation projects. These areas were identified to increase the total length of the street to be rehabilitated. Funding for this work came from local transportation funds.

| SUMMER 2000 STREET REHABILITATION | | | | | cost of work |
|-----------------------------------|---------------|------------|-------------|------------|--------------------|
| Street | from | to | length (ft) | width (ft) | |
| Williamsor | Sweden | end | 300 | 24 | \$8,800 |
| Bemis | Maynesboro | Verdun | 450 | 25 | \$15,000 |
| Willow/Yor | St. Michael's | Granite | 250 | 35 | \$10,694 |
| Willow/Yor | Hillside | York | 650 | 35 | \$11,148 |
| Denmark | 7th | 8th | 530 | 35 | \$22,672 |
| Hillside | Bridge | Willow | 170 | 30 | \$8,732 |
| Hillside | Willow | Blanchard | 210 | 35 | \$8,983 |
| Madison | Dewey | River | 650 | 28 | \$22,244 |
| Dewey | Willard | Madison | 210 | 28 | \$7,187 |
| Jasper | River | w.m. proje | 320 | 22 | \$8,604 |
| 7th | Denmark | Sweden | 200 | 25 | \$6,111 |
| Norway | w.m. project | 8th | 450 | 25 | \$13,750 |
| Enman Hill hse. 128 end pvmn' | | | | | 3400 25 \$48,129 |
| Total | | | | | \$192,055 |

District Courthouse Facade Restoration

Comprehensive restoration of the west and south sides of the Berlin-Gorham District Courthouse was completed in the fall of 1999. The restoration work cost \$140,637. Funding was derived from rental revenue generated from the building.

Unity Street Tree Benches and Overlook Fencing

The City, with grant money from the Berlin Recreation Fund, manufactured and installed park benches in the Unity St. Park and along Unity St. Also completed was a 4 foot high barrier fence to allow visitors to enjoy close views of the Androscoggin River while protecting them from steep ledges. These improvements cost approximately \$5,000.

Public Works Department

Major projects completed by the Public Works Department include 300 feet of 30 inch diameter drain line on Mannering St. during the summer of 1999. Material and equipment rental costs for this project were approximately \$6,500.

Also completed was the removal of old concrete sidewalks and the installation of new granite curbing and sidewalks on Pleasant St. and Glen Ave. Surrounding the Glen Avenue Park. This project, including overlay

paving, cost approximately \$57,160.

Capital equipment purchases for the fiscal period include:

| | |
|-----------------------------|------------|
| 2 Four Wheel Drive Pick Ups | 35,806. |
| 1 Backhoe Loader | 58,700. |
| 1 Front End Loader | \$114,370. |

Public Works Services

The Public Works Department provides a number of services to the citizens of Berlin. They include: the maintenance of approximately 60 miles of streets and many more miles of sidewalks that need to be swept, patched and overlaid. We also provide snow removal, street stripping, street marking, the fabrication and installation of street and traffic signs. We construct retaining walls, install guard rails and guard fence. We provide citizens with weekly garbage removal and an annual clean-up week in the spring. We maintain sewerage and storm water collection systems. We provide equipment maintenance for all of the Public Works, Fire, Recreation, Health, Police and Engineering Departments as well as the Berlin Municipal Airport. We maintain gas and fuel distribution. We also provide 146 sand and salt barrels for winter use.

The Public Works Department collects paper, glass, plastics, tin, aluminum and cardboard for recycling. We periodically seal concrete sidewalks, retaining walls and bridges abutments. Members of the Department also provided utility information and project inspection for water and sewer capital improvement projects.

ITEMIZED LIST OF VARIOUS WORK AND MATERIAL ITEMS

| | |
|--|----------------|
| Repaired catch basins & manholes | 28 |
| Rebuilt manholes & catch basins | 25 |
| New catch basins & manholes | 7 |
| Adjusted Manhole Frames and Covers | 30 |
| Replaced drain lines & new drain lines | 285' |
| Replaced sewer lines | 377' |
| Replaced service lines | 13' |
| Televised Sewer and Drain Lines | 5400' |
| Catch basins cleaned by machine | 206 |
| Salt for winter use | 1,848.19 tons |
| Sand for winter use | 3,072.71 tons |
| Cover for Cates Hill Landfill | 11,500 c.y. |
| Spring Clean Up Week | 4 weeks worked |
| Responded to Main Line Sewer Calls | 6 |
| Responded to Private Sewer Calls | 41 |

James Wheeler
PWD Director/City Engineer

BERLIN WATER WORKS

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Water Commissioners for this report period were Alfred H. Legere, Richard P. Fournier, Joan C. Merrill, Robert A. Delisle, Paul W. Poulin and David J. Bertrand. Ex-officio members were Mayors Richard M. Huot and Robert A. Danderson. Joan C. Merrill, Ward I Water Commissioner resigned from the Board as she was elected to the City Council to represent Ward I. David Bertrand was appointed by the Mayor and approved by the City Council to serve the remaining term on the Board. Alfred Legere, Ward II Water Commissioner resigned from the Board in November. Paul W. Poulin was appointed and approved by the City Council to replace Mr. Legere. Roland L. Viens of Shelburne, NH started work on April 17, 2000 as Superintendent to replace Mr. Albin Johnson, upon his retirement.

Total water entering the distribution system for the Fiscal Year was 595,144,801 gallons for an average day use of 1.6 million gallons. The run water program to prevent freezing of water pipes started on December 29, 1999 and ended on March 29, 2000 with Water Works staff receiving seventy frozen water calls. Conversion of water meters from visual read to touch read continues. All hydrants were flushed in the fall and spring. Our lead and copper water sampling program has revealed that we must still modify our present corrosion control program to further reduce first draw lead levels in the water taken at faucets having no flow for a period of at least six hours. Water sampling will continue to monitor lead levels. All customers received a Lead Alert Notice with their October 1999 water bill. Water Quality Report for calendar year 1999 was distributed to all water customers as a bill stuffer in the April 2000 billing. National Drinking Water Week, May 7 to May 12, 2000, was celebrated again with an open house held at the Ammonoosuc Treatment Facility. Mayor Danderson signed a proclamation to honor National Drinking Water Week. Richard Skarinka from New Hampshire Department of Environmental Services appeared on the local forum talk show to provide information and answer questions about drinking water.

On September 2, 1999 John Romano, William Konrad and Gregg MacPherson, from Rural Utilities Services (RUS), and Mark Aldridge of Senator Smith's office met with Chairman Legere and Superintendent Johnson to explain the WATER 2000 program and to review proposed projects for possible funding under this program. Senator Smith provided Berlin a second waiver of the 10,000 population limit for Fiscal Year

2000 only. A grant and loan application was submitted to RUS with a resultant \$1,030,000. loan and a \$2,370,000. grant, secured for needed infrastructure improvements. Earth Tech, Concord, NH was selected by the board to provide engineering services for these improvements.

The Lancaster Street water storage tank construction started in early 2000 with Pre-Load Inc., Garden City, New York being awarded the construction contract. Paragon Inc., of Orford, New Hampshire was awarded two water main construction projects with active construction beginning in April, 2000.

Applications were submitted and loan agreements have been executed to secure FY 2000 NH State Revolving Loan Funds for two separate water main replacement/improvement projects. In April, the Board retained SFC Engineering Partnership Inc. of Manchester, NH to provide engineering services for two water main replacement/improvement projects involving FY 2000 Drinking Water State Revolving Loan funds.

Robert L. Vachon, CPA of Vachon, Clukay & Co., PC was accepted by the Board to perform the Water Works financial report for period ending June 30, 2000. Our FY 2001 budget, as presented at the Commissioners' May 24, 2000 budget hearing providing \$1,353,800 for operations and \$1,097,804 for water bond debt, was approved in June, 2000. A State surface water filtration grant payment in the amount of \$256,910 was applied for in June, 2000 for the State's share of water bond debt required for the surface water treatment rule infrastructure improvements.

The Board authorized Mr. Johnson to submit a FY 2000 application to the Drinking Water State Revolving Loan in the amount of two million dollars to continue with the Board's program of small diameter water main replacement/improvements. A request for a third EPA Grant to be included in the Federal fiscal year 2001 budget was submitted to our Congressional Delegation.

As this will be my last report as Superintendent and Chief Engineer, I extend my sincere thanks to the present and past Mayors and members of the Board of Water Commissioners, City Managers and City Council for their leadership during my tenure. With their help and the hard work of our employees we have been able to improve water quality, fire protection and the delivery system to our customers.

Submitted by:
Albin D. Johnson, P.E.
Superintendent & Chief Engineer



LANCASTER STREET TANK PROJECT

FIRE DEPARTMENT

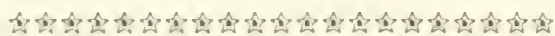
★★★★★★★★★★★★★★★★★★★★

The Berlin Fire Department stands ready to be at your service twenty-four hours a day, seven days a week, three hundred sixty-five days a year. The professional staff of Officers and Firefighters pride themselves in the many services that they provide to the citizens of Berlin. The Department responds to fire, rescues of all types, hazardous material and natural emergencies. The Inspection Division is responsible for life safety and building code compliance, and provides many public education programs throughout the City in local businesses, schools and health care facilities. The City's fire alarm system and electrical systems are in fine working order as the Electrical Systems Superintendent maintains a busy schedule. The continued training of the staff as well as their dedication to duty insure a well prepared and professional fire department committed to customer service.

| BFD Calls for FY99 | |
|----------------------|-----|
| Assist Police | 2 |
| Bomb Scare | 1 |
| Chimney Fire | 2 |
| Dangerous Situation | 21 |
| DHART | 46 |
| Electrical Fire | 4 |
| Electrical Problem | 26 |
| Explosion | 1 |
| False, Malicious | 27 |
| False, Unintentional | 42 |
| Furnace Problem | 8 |
| Leak/Spill | 80 |
| Lock Out | 1 |
| Medical Aid | 5 |
| Outside Fire | 26 |
| Rekindle | 2 |
| Rescue | 5 |
| Smoke Scare | 29 |
| Sprinkler Problem | 2 |
| Structure Fire | 25 |
| Vehicle Accident | 49 |
| Vehicle Fire | 8 |
| Water Problem | 18 |
| Total | 430 |

Robert Theberge
Acting Fire Chief

BERLIN PUBLIC SCHOOLS-SAU 3



Vision Statement

Graduates of the Berlin Public Schools will be active, life-long learners who participate constructively in the civic, economic, educational, and cultural growth of their continually changing, information based, local and global communities.

Mission Statement

The Berlin Public Schools are committed to the belief that all students must be given appropriate opportunities to achieve clearly defined, meaningful and rigorous standards which include, but are not limited to those outlined in the New Hampshire Curriculum Frameworks. We further believe that the learner is the focus of all of our efforts and that the evolution of our programs will be guided by data that reflect what each learner knows and is able to do.

Each of the programs in the Berlin Public Schools will emphasize depth of understanding and the active participation of students in the learning process. We will capitalize on the power of technology as a motivational information source and as a problem solving tool by integrating appropriate technologies within each program area.

Our vision cannot be attained if the Berlin Public Schools must act alone. We and our students are part of a larger learning community. Parents and the community at large must share in the responsibility to educate our youth. The community must provide the resources necessary to support the schools and must also help students value learning in all its contexts - within school and outside the formal educational setting. Community members can best help students see that the process of becoming a competent member of the local and global communities is one of continuous progress that lasts a lifetime.

The District Educational Improvement Plan (DEIP) was again revised and major improvement goals established

District-Wide Improvement Goals

1. Implementation of academic standards and curriculum frameworks in all subject areas, including the New Hampshire Curriculum Frameworks and the development of best practices for instruction and assessment of student performance.
2. Using technology as an educational tool to improve student learning.
3. Establishing high-quality learning environments, including improved facilities.
4. To assure the health and safety of Berlin children.

District Highlights for 1999-2000

- Technology Plan - SAU 3 has completed its four year Technology Plan and is preparing to implement a second multi-year effort. Much has been accomplished (K-12) due to the efforts of many people. A Staff Technician Team includes a member in each school.
- NH Frameworks progress continues. This is a K-12 effort and one of the major accomplishments is the coordination, cooperation, and combined effort of all schools (K-12).
- Safety emerged as a top priority and many materials and human accomplishments have resulted.
- A detailed Facilities Study of all buildings was completed.
- A Professional Development Team has revised our staff development program in accordance to state standards and in conjunction with the District's DEIP.

Listed are some of the accomplishments of each school:

Berlin Senior High School

- Peer Tutoring - 23 students tutor their peers at Berlin High School
- The Amigo Program was developed this year matching 25 high school students with 25 elementary school students. This mentorship program was extremely successful due to the strong commitment at the high school with students involved.
- The Positive Adolescents Choices Training (PACT) was offered this year with 30 students volunteering to participate in this violence prevention program. The students' evaluation of the program was overwhelmingly positive.
- For the second time, BHS received the Sportsmanship Award from the NHIAA
- The Berlin High School Field Hockey Team won the NHIAA Class I State Championship.
- The staff continued work on its self study in preparation for the NEASC October evaluation.

Berlin Junior High School

- Berlin Junior High staff have created an action plan for curriculum improvement that includes a grade 7 and grade 8 assessment test. This assessment was developed by using common items from NHEIAP and MCAS exams.
- An experienced and caring teaching staff, a strong advisory program with a school community service component, supportive parents and cooperative students have led to a 50% reduction in detentions and out of school suspensions this year.
- There has been an observable decrease in reactive behaviors. This may be due to an anger management program called PACT that is given to students during advisory classes. Several staff and a local police officer have been trained to conduct these workshops.

Hillside Elementary School

- Curriculum: The Hillside faculty continued to address the English/Language Arts proficiencies with emphasis on writing. Workshops (John Collins, Louise Wroblewski) provided a variety of strategies

to improve the writing process.

- Management: The Hillside Emergency Management Team created an Incident Command System flip chart. Intruder alert drills were practiced. Doors were locked and security cameras were installed. Cell phones and walkie talkies were purchased.
- Technology: We expanded our computer technology significantly. Each classroom has three multi-media computer work stations and we have been connected to the Internet. An Internet Policy for family and students was adopted.

Brown Elementary School

- School Emergency Preparedness- Emergency buckets in each classroom- room numbers, floor plans, alternative site instruction, intercom, all new this year- completed School Emergency Plan
- Professional development initiatives with Guided Reading techniques and balanced literacy in the classroom.
- Amigos Program – a joint elementary and high school program that pairs older students with younger students for a one hour per week after school program.

Bartlett Elementary School

- School Emergency Preparedness- Emergency buckets in each classroom – room numbers, floor plans, alternate site, instruction, intercoms are new this year – completed School Emergency Plan.
- Professional development visitations with Guided Reading techniques and balance literacy in the classroom.

Submitted by:

R. Bruce MacKay
Superintendent of Schools



BERLIN POLICE DEPARTMENT

★★★★★★★★★★★★★★★★★★★★

The mission of the Berlin Police Department continues to be that of protecting and serving the citizens of the community in a fashion consistent with the Constitution of the United States. Equally important for us is to serve the community in a way that reflects the beliefs, customs, and morality of the citizenry which we serve.

While calls for service have increased, putting a strain on the resources available to us to respond to these calls, so has the commitment of this Department's personnel to become more active in all phases of the community. Uniformed officers will often be seen stopping within the community to speak with individuals, getting a first-hand account of the neighborhoods they serve and the potential problems, if any, that exist in them. By doing so, officers can impact upon situations before they become more serious problems. Security checks are performed at the request of local citizens and businesses, creating an open and friendly interaction with the public.

Through federal government grants, we have been approved to hire an additional officer to augment our uniformed staff and are currently awaiting final approval for the hiring of a school resource officer who will work full-time within the high school. Various other state grants have been applied for and received, speed and bicycle patrols being the most visible.

We are currently looking to hire several officers to replace those who have left the Department through retirement or resignation. Detective Sergeant Roland Goulet retired on May 31, 2000, after having served over twenty years with this Department. He had an uncanny ability to connect with people, and his presence in investigations will be missed. Sergeant Thomas Beaulac retired on June 19, 2000. He, too, retired with over twenty years of service. Sergeant Beaulac was an accomplished supervisor who made rapid decisions and supervised his officers with great aplomb. The Berlin Police Department thanks them for their service to the community. They and their efforts will most certainly be missed.

With retirement comes the opportunity for others to step forward and move up within the organization. Juvenile Officer Brian Valerino has been promoted to the position of Detective Sergeant. Brian has

been Juvenile Officer/Detective for the past six years and an officer with the Department since 1990. Officer Karl Nelson has been promoted to the position of Juvenile Officer/Detective. He joined the Department in 1987. Officer Richard Plourde has been promoted to the position of Corporal; he joined the Department in 1994. Finally, Corporal Brad Supry has been promoted to the position of Sergeant, having served in the position of Corporal since 1993. He joined the Department in 1989. While the above positions carry with them many new and added responsibilities, all of the officers have much street experience and are constantly honing their skills through additional training. We wish them well in their new positions.

STATISTICS

1999-2000

Total Offenses committed: 1228; of those, 59 were felonies; 183 involved weapons; 284 involved alcohol; and 28 involved drugs. Total Arrests: 413; of those, 63 involved domestic violence; 38 involved juveniles; and 50 were protective custodies.

| | |
|--------------------------------|-----|
| RAPE | 11 |
| FORCIBLE FONDLING | 9 |
| AGGRAVATED ASSAULT | 8 |
| BURGLARY | 33 |
| ROBBERY | 2 |
| LARCENY | 148 |
| PURSE SNATCHING | 1 |
| SHOPLIFTING | 17 |
| MV THEFT | 9 |
| ARSON | 2 |
| COUNTERFEITING/FORGERY | 15 |
| FALSE PRETENSES/SWINDLE | 9 |
| STOLEN PROPERTY OFFENSES | 14 |
| CREDIT CARD/ATM | 3 |
| SIMPLE ASSAULT | 155 |
| INTIMIDATION | 82 |
| FRAUD | 15 |
| CRIMINAL MISCHIEF | 154 |
| WEAPONS-POSSESSION | 3 |
| DRUG OFFENSES | 9 |
| FAMILY OFFENSES | 6 |
| INCEST | 1 |
| DWI ARRESTS | 50 |
| LIQUOR LAWS | 38 |
| DISORDERLY CONDUCT | 6 |
| DRUNK/DISORDERLY CUSTODY | 10 |
| TRESPASSING | 26 |
| TRAFFIC OFFENSES | 167 |
| RUNAWAY | 2 |
| ALL OTHER CRIMES | 223 |

Submitted by:
Alan Tardif
Police Chief

PLANNING DEPARTMENT

☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆

As the City of Berlin's Planning Department ushered in the "New Millennium", the department experienced a lengthy transition period as former City Planner June Hammond Rowan took a similar position in Plymouth, NH, after being with the City for more than five years. After the position was vacated in January, a new planner was not hired until July. The Department and Board members worked hard to help the transition run smoothly.

The Planning Department continues to lend staff support of the Planning Board, Zoning Board of Adjustment (ZBA) and Berlin Industrial Development and Park Authority (BIDPA). The Planning Department has numerous responsibilities, not limited to, receiving applications for land use, handling inquiries from resident on land use related issues, and working on numerous different project. Department staff also supplements the work of the volunteer board members, who give many hours of their time to the planning and improvement of Berlin.

The Berlin Planning Board is a fifteen member board that reviews and approves Site Plan Review Applications as well as subdivision and lot merger applications. The Board approved four Site Plan applications, which are required for non-residential uses and structures. The Site Plan Review process is a tool for Board members to help guarantee that development in Berlin is done in a manner consistent with Berlin's Master Plan. The four approved Site Plans included renovating the former NYA building into the new Harvest Christian Fellowship Church, the addition of on-site parking for St. Anne Church, the renovation and addition for the former Woolworth Building and one other project that later changed its scope so that it no longer required approval from the Board.

The Planning Board also approved three lot mergers and three minor subdivisions/lot line adjustment request. The Board is in the process of recommending to the City Council a small number of amendments to the new Zoning Ordinance. The Zoning Rewrite Committee along with the City Planner have worked quickly to tighten up some of

the language in the new Zoning Ordinance which has proved to be an excellent tool for assisting with land use development in the City.

The ZBA heard eight cases throughout the course of the year. The case load this year is less than the previous few years and most likely due to the fact that the new ordinance is now in place. The new Zoning Ordinance is a major improvement from the previous ordinance which was more than twenty years old. The ordinance guides land use in an effective and orderly manner. The ZBA is a small energetic group who continue to work hard maintaining the integrity of the City's regulations. The Zoning Officer maintains office hours part-time, providing information to the public and working on zoning issues as necessary.

BIDPA is a dedicated thirteen member board actively seeking to build a second industrial/business park on Route 110. In helping to achieve that goal, the Authority recently purchased 309 (+) acres along Route 110, which includes access to the St. Lawrence Railroad. BIDPA is actively working with a number of companies who are interested in possibly locating in the Route 110 park. The Authority has successfully completed work on their new website www.nhbidpa.com. The Authority works diligently helping to promote and foster industrial growth in the City.

The effort of all boards to help make a successful transition for the City Planner is just one of the ways the three boards go out of their way to help make Berlin a better place. The dedication and hard work from all the members is greatly appreciated by the City. Any input from residents is always welcome as we encourage all residents to stop by the Courthouse and get involved with their City.

Respectfully submitted by
Pamela E. Laflamme, City Planner

| | |
|-----------------------|-----------------|
| Zoning Officer: | Ron Baillargeon |
| Planning Board Chair: | Lucien Langlois |
| ZBA Chair: | Robert Tremblay |
| BIDPA Chair: | Bernard Buzzell |

CITY CLERK'S OFFICE

☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆

"Berlin in the New Millennium" will see many positive changes. City Clerk Debra Patrick completed a three-year training curriculum and was recognized for becoming a Certified Municipal Clerk in August. A Special Election was held in September to replace deceased State Representative Paul St.Hilaire. Mr. Alcide Valliere, a Berlin native, was honored by the Secretary of State as being NH's longest serving Supervisor of the Checklist. A Municipal Election was held in November with a recount held the week after the election. Voting machines were approved in the FY'00/01 budget.

In conjunction with "Berlin in the New Millennium," the City Clerk requested Council permission to obtain a replica of the Boston Post Cane to honor Berlin's eldest living citizen. This cane will be passed on to the eldest citizen for many future generations. At the 2000 Inauguration Ceremony, Tina Bertin and Melody Morin, students at the St. Michael School, were recognized for naming Berlin's cane, "Cane of Wisdom." The first recipient honored with the "Cane of Wisdom" is Mrs. Rose Bugeau who is 103 years young, has been a citizen of Berlin her entire life and raised a family of ten children.



Mrs. Rose Bugeau receives Berlin's first "Cane of Wisdom -
Photo by Elaine Tremblay

The following Ordinances and Resolutions which govern city policy were passed.

ORDINANCES

- 1999.03: Zoning and Land Use Repealed
- 2000.01: Eighth Street No Parking
- 2000.02: Prospect Street Yield Sign

RESOLUTIONS

- 1999.28: 1999 CDBG Grant Application
- 1999.29: Legal Services - \$11,570.
- 1999.30: FY'98-99 Contract Wage Increases
- 1999.31: 1999 Segregated Funds
- 1999.32: DES Loan Agreement for BWB
- 1999.33: PD Law Enforcement Block Grant App.
- 1999.34: BWB Infrastructure Improvement Grant
- 1999.35: \$135,000. Court House Facade Renovation
- 1999.36: \$35,000 Cates Hill Landfill Tire Removal
- 1999.37: \$50,000 Smith Hydro Feasibility Study
- 1999.38: East/West Highway Corridor Support
- 1999.39: \$5,000 Wal-Mart Donation for BHS Track
- 1999.40: City Manager Credit Card Authorization
- 1999.41: \$24,370 PWD Loader & Plow Equipment
- 1999.42: \$2,000,000 BWB EPA Grant
- 1999.43: Car Freshner Lot Line Adjustment
- 1999.44: \$8,000 Court House Facade Renovation
- 1999.45: BIDPA Route 110 Land Purchase
- 2000.01: \$25,466.99 AVRRDD Transfer Station
- 2000.02: \$19,500 Wastewater Treatment Plant
- 2000.03: \$1,030,000 Water System Improvements
- 2000.04: BWB 1995 Unexpended Bond Proceeds
- 2000.05: BAA Alternate Ward Board Members
- 2000.06: Resident Tax Abolition
- 2000.07: \$85,544 Education Projects
- 2000.08: \$80,000 Wastewater Equip. Replacement
- 2000.09: Legal Services - \$8,146.
- 2000.10: Rescind 12/6/99 Car Fresh. Lot Line Res.
- 2000.11: PD School Resource Officer Grant
- 2000.12: Fiscal Year 2001 Budget Approval

VITAL RECORDS

Vital Records is perhaps the most integral function of the City Clerk's Office. Births, deaths and marriages are recorded there and certified copies of such are issued through that department.

| YEARS: | 97/98 | 98/99 | 99/00 |
|-----------|-------|-------|-------|
| Marriages | 57 | 61 | 61 |
| Births | 117 | 136 | 149 |
| Deaths | 169 | 160 | 177 |

Respectfully submitted,

Debra A. Patrick, CMC
City Clerk



BERLIN MUNICIPAL AIRPORT



The Berlin Municipal Airport stands ready to face the challenges of the New Millennium. 1999 was, once again, a year of positive change at "YOUR" airport. Being a key transportation gateway to the Great North Woods, the Berlin Airport welcomes visitors from all over the globe. Visitors vary from being the recreational pilot to corporate flyers. We deal directly with the aviation community, maintaining the highest level of customer service. The airport was the doorway to the North Country for virtually all of the Presidential candidates in this election year. Air Force II was indeed an impressive sight parked on the ramp at the Berlin Municipal Airport.

Two big projects that were started last year are now complete. The ramp rehabilitation project, which turned out to be the largest project at the airport in many years, replaced the pavement, installed drainage and sub-base to the entire ramp area which is 104,000 square feet. Our new, state of the art, snow plow truck was put into service and worked its first winter. These two projects alone invested over one half million dollars on refurbishment at the Berlin Airport. These repairs are paid for by the Federal Aviation Administration's Airport Improvement Program (90%), the NH Department of Transportation (5%) and the City (5%). Improvement programs continue and are scheduled for the spring of 2001. Included

are, runway crack sealing, hazard beacon reconstruction and the purchase of pavement sweeping equipment.

The sale of aviation fuel remains the backbone of revenues generated at the Berlin Airport. Two types of aviation fuel are sold at the airport: 100LL, which is a gasoline based fuel used by smaller piston powered recreational aircraft and Jet-A fuel, which is fuel used by larger turbine powered jet aircraft. Our fuel sales continue to grow, reflecting the ever increasing use of the airport.

The Berlin Municipal Airport is excited about the future while being connected to our past. Plans are in the works now to celebrate our 60th year of operation in 2002. Many thanks for hard work and dedication go to the Berlin Airport Authority, employees—Richard Kimber and Warren Ingram, Fixed Base Operators, White Mountain Flyers Association, pilots and community members.

Submitted by:

Eric Kaminshy

Airport Manager



BERLIN HOUSING AUTHORITY



In 1999, change at the Berlin Housing Authority was the only constant. Programmatic changes aside, the year saw three board seats turn over; two because of resignations, the third because of the election of Joan Merrill to the Berlin City Council. The commissioners who resigned, Leo A Cloutier of Willard Street and Marie P. Hughes of Howard Street, had served with distinction since 1992 and 1981, respectively. In May, Ms. Merrill of Charron Avenue succeeded to the seat formerly held by Mr. Cloutier.

In July, the Authority's first executive director, Donald Mangine, announced that he planned to retire on February 2, 2000. Hired in May of 1965 to undertake the \$2.6 million Cole Street Urban Renewal Project, Mr. Mangine also oversaw the planning and development of the North Country's first and only public housing projects. During his tenure, the total number of rental housing units in the programs administered by the Authority rose to 371. Mr. Mangine will be succeeded by Ms. Mary-Jo Landry of Shelburne. In November, the Neighborhood Revitalization Committee released its final report on the condition of Berlin's housing market. Completed by Applied Economic Research of Laconia, NH, the \$30,000 study found that the City's housing market contained far too many residential units, an inordinate number of which were multi-family tenements in such poor condition that there was little or no likelihood of their ever being rehabilitated. The study called for the City to fund a massive demolition program to thin out the stock and reverse the precipitous decline in the value of the City's real estate. 1999 was the year in which the sweeping changes dictated by the Quality Housing and Work Responsibility Act of 1998 began to take effect. Of the many and varied changes provided for in the said law, one of the most fundamental was the merger of the former rental certificate and voucher programs, which had operated under separate rules for some two decades. Provisions of the new program, known as the housing choice voucher program, will be fully implemented within the next year or so. The result of another major change in housing law that was promulgated by the 1998 Act will be seen early in the year 2000 when the authority will prepare for public comment the newly-mandated "agency plans" in the formats prescribed by HUD. Said

plans will set forth what the Authority sees as its mission, the City's housing needs and the steps it plans to take to achieve its mission and meet those needs.

| Assets | | |
|--|---------------------------|---------------------------|
| Assets | 1998 | 1999 |
| Cash | \$221,472.00 | \$178,160.00 |
| Security deposits | \$7,229.00 | \$8,151.00 |
| Accounts Rec. St. Regis House | \$1,348.00 | \$1,281.00 |
| Investments | \$516,740.00 | \$622,517.00 |
| Debt amortization funds HUD receivable | \$78,323.00 | \$78,323.00 |
| Prepaid insurance | \$818.00 | \$1,975.00 |
| Land structures & equipment | \$1,440,713.00 | \$1,439,573.00 |
| TOTAL ASSETS | \$2,266,643.00 | \$2,329,980.00 |
| Liabilities | | |
| Liabilities | 1997 | 1998 |
| Accounts Payable HUD Other | \$58,706.00 \$6,385.00 | \$74,467.00 \$5,273.00 |
| Accrued Liabilities | \$13,590.00 | \$15,588.00 |
| Notes Payable | \$689,102.00 | \$656,259.00 |
| Prepaid HUD contributions (net) | \$70,029.00 | \$82,362.00 |
| TOTAL LIABILITIES | \$837,812.00 | \$833,949.00 |
| Equity | | |
| Operating reserves | \$598,896.00 | \$634,395.00 |
| Cumulative HUD contributions (net) | \$829,935.00 | \$861,636.00 |
| TOTAL EQUITY | \$1,428,831.00 | \$1,496,031.00 |
| Total | | |
| TOTAL LIABILITIES AND EQUITY | \$2,266,643.00 | \$2,329,980.00 |

Community Services Division WELFARE DEPARTMENT

☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆☆

The City Welfare Department has undergone a transition that reflects the changes and evolution of "Berlin in the New Millennium." In February 2000, the Welfare Director, Annette Langevin, retired after dedicating more than twenty years of service to the community through her work. The City hired a new Administrator in April who will continue to administer to the needs of those in our community who do not have adequate resources to provide, in full or in part, for their basic needs.

As mandated by the State of New Hampshire Statutes, welfare departments within a municipality provide assistance to individuals and families who are unable to provide for basic needs such as shelter, food, heat, electricity or other necessary utilities, and medical assistance. All assistance is administered according to set State Mandates and the written guidelines adopted by the City Council. Assistance, when granted to a qualified applicant, is in the form of vouchers, never as direct cash payment. In addition, the Department provides resource referrals to agencies that may be better able to meet temporary needs of the applicant. The Department also presents descriptions and contact information for agencies and programs who offer degrees of counseling or workshops for long term management techniques that could be of use to those who apply.

"Berlin in the New Millennium" is one that reflects a decrease in the amount of assistance needed by applicants and a shorter duration of assistance for recipients. The July 1, 1998 to June 30, 1999 fiscal year saw \$30,318.00 in direct assistance while the July 1, 1999 to June 30, 2000 fiscal year saw \$22,155.00. One factor in this change may be the evolving economy in our area that is allowing people to find employment or to find jobs with a better pay scale. The Department has seen an increase in the number of recipients who are physically and mentally able to work on the City's Work Program, which was established in 1982. Those who are able to work and have received assistance are assigned to city departments or non-profit organizations to work for the value of their assistance as based on a minimum wage value. Assistance is given on weekly

basis. Recipients who are able to work are assigned to work the Work Program and must complete the number of hours equal to the amount of assistance given, divided by the current minimum wage value. If this is not done, then the recipient is not eligible for additional assistance until the hours have been worked. Recipients are also required to complete a weekly job search in order to receive continued assistance.

The increase in economic activity in our region is reflected in the following statistics for the July 1, 1999 to June 30, 2000 fiscal year.

| Activities | Totals |
|---|--------|
| Office Visits | 1911 |
| Cases Interviewed | 203 |
| Welfare Orders Issued | 577 |
| Assisted Single People | 54 |
| Assisted Families | 12 |
| Assisted Who've lived in Berlin Over 1 Year | 43 |
| Assisted Who've live in Berlin Less than 1 Year | 23 |

| Work Program Statistics | Totals |
|-----------------------------|--------|
| Cases Eligible for Workfare | 29 |
| Hours Worked on Workfare | 1,570 |

The Welfare Department would like to offer thanks to the area agencies, non-profit organizations, church organizations, volunteers and employees of these aforementioned groups for their cooperation. Appreciation is also extended to those who accept workers on the City's Work Program for their continued cooperation and alliance with this department in our goal to meet the needs of the community.

Respectfully submitted:
Angela Martin Giroux
Administrator of Welfare

Community Services Division RECREATION & PARKS

In 1978 while I studied for my degree at the University of New Hampshire we studied what recreation would be like in the future. This was in those years when papers were written on typewriters, research was reading in the library and you had to leave your home to play golf, hunt, or find a partner to play checkers. We theorized that the future might have new ways to play sports or games, that new developments in industry and science would change the face of recreation, and that people would have more leisure time because of advancements in technology. Well, the future is here and recreation in this new millennium is recreation of the future we only dreamed about in 1978.

The hand held game players, the extensive computer game industry and the Internet have offered young people a world of opportunities for leisure activities. These outlets for play do challenge the imagination and stimulate the mind, but do not always challenge the body and encourage physical health. With the new millennium, our recreation and parks programs have continued to offer programs to children as young as 3 years of age. These physical recreational and creative recreational activities offer the stimulation to body and soul not immediately offered by computer orientated recreation activities. Children's programs ranging from sports, crafts, games and free play, and outdoor learning programs are offered. These programs, some free and some requiring user fees, offer youth alternatives to the technological entertainment so prevalent now. Through these group opportunities, children continue to learn life skills like sharing, sportsmanship, group relationships, and confidence sometimes lost in the solo pursuits with technological recreation.

Advancement in science and medicine into this millennium have insured health and longevity for adults and seniors unique to our times. Local

citizens have continued to seek recreational opportunities for adult sports and senior activities. The Recreation & Parks Department continues to provide and support senior programming in the community. The department supports a daily walking and exercise program at our First Avenue building. The department participated in the Elder Health Fair offered in the fall at St. Anne's hall. Seniors enjoyed picnicking at Jericho Lake Park.

Funding for infrastructure improvements was secured in the municipal budget during this millennium year. Work continued at Memorial Field, sodding and the installation of an irrigation system was installed at the Berlin Community Running Track, and field work continued at the Milan Airport Softball field. All of this work is part of a parks improvement inventory developed by the Recreation & Parks Commission during this past year. This inventory was created through extensive on site review of each park and creation of a work list for each location. This work list was then prioritized by level of importance and plans have been created to address these varied projects.

During the millennium year the Recreation & Parks Department continued to provide for the leisure needs of the community.

Submitted by
Laura Lee Viger
Community Services Director



**RECREATION & PARKS DEPARTMENT
PROGRAM SUMMARY JULY 1999- JUNE 2000**

| Summer | |
|---------------------------------|------------|
| Program Title | ATT |
| Beginners Baseball | 43 |
| Babe Ruth Baseball | 41 |
| Farm League Baseball | 126 |
| Basketball Camp | 18 |
| Girl's Softball | 53 |
| Jericho Day Camp | 82 |
| Jericho Shelter Rental (groups) | 3 |
| Seniors Picnics | 9 |
| Jericho Daily Camping | 7 |
| Jericho Seasonal Camping | 7 |
| Community Gardens | 8 |
| Tennis | 22 |
| Summer Playgrounds | 300+ |
| Soccer Camp | 45 |

| Fall | |
|--------------------------|------------|
| Program Title | ATT |
| Craft Fair | 18 groups |
| Little Tykes | 30 |
| Grade 3 & 4 Soccer | 72 |
| Slimnastics | 23 |
| Senior Walking, Exercise | 30/day |
| Adult Craft Classes | 4 |
| Student Craft Classes | 11 |
| Instructional Basketball | 41 |

| Winter | |
|------------------------------|------------|
| Program Title | ATT |
| Grade 3 & 4 Boy's Basketball | 49 |
| Grade 3 & 4 Girls Basketball | 25 |
| Jogging | 15 |
| Hockey | 93 |
| Little Tykes | 31 |
| Grade 3-6 Ski/Sno Bd. | 106 |
| Grade 7&8 Ski/Sno Bd. | 20 |
| Slimnastics | 24 |
| Adult Volleyball | 120 |
| Craft of the Month | 29 |
| Feb. Vacation Activities | 72 |

| Spring | |
|----------------------|------------|
| Program Title | ATT |
| Basketball Tourney | 120 |
| Easter Egg Hunt | 350 |
| Little Tykes | 33 |
| Slimnastics | 14 |
| Indoor Yard Sale | 13 booths |
| Cosmic Bowling | 50 |
| Beginner Baseball | 34 |
| Craft of the Month | 18 |
| Gym Rentals (year) | 79 |

COMMUNITY SERVICES DIVISION HEALTH DEPARTMENT

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The Berlin Public Health and Visiting Nurse Program of the City of Berlin spent the year of the new millennium faced with many challenges and changes

The Berlin Public Health department offered service to citizens in dealing with a wide variety of public health and safety concerns. These activities included inspections of foster care homes, day care programs and a variety of public restaurant and store businesses. Of significant note is the major disposal of materials, food stuff and beverages resulting from the fire at the Berlin IGA during the winter months. The cooperation of the property and business owners was exemplary and public health was protected from potentially contaminated products. Additionally, a number of emergency responses took place based on public health issues such as oil leaks, inappropriate housing conditions, dilapidated housing, and animal complaints.

Our public health clinic was very active throughout the year. Our public health nurses assisted walk in customers with blood pressure monitoring, drug administration, children's health issues and school re-admission issues following communicable disease issues. Although some of these options are fee based, a wide variety of services were provided at no expense to our citizen patients. The clinic, because of technological advancements, offered monthly on site cholesterol testing and blood sugar testing. Our clinic staff brought these testing programs to the public at the Berlin Senior Health Fair, the Drive in the 50's, at the Holiday Center, and to a monthly clinic at WalMart. With advances in the technology of testing for chronic health conditions, the Public Health Clinic has offered encouragement of a healthy lifestyle to more people.

The Visiting Nurse Program has experienced many changes in the last calendar year. The Federal government, under the auspices of Health Care

Financing Authority, has enforced major changes in the funding and record keeping of home health nursing agencies across the country. Early in the year, our staff began to submit to Medicare an assessment tool required by HCFA called the OASIS. This assessment form requires that the nurse complete an 800-plus question questionnaire with each new admission of a patient. This form is repeated for each discharge, re-admission, or re-certification for billing. The OASIS form is completed in the home of the patient, typed into a computer template, and then electronically transmitted to the State of New Hampshire for review and record keeping purposes. This new part of home care nursing has expanded the work of the nurses and expanded the computer utilization of the department.

In addition to the new assessment program the home health nursing program has encountered changes in the payment system of the Federal government for home health care. The system that the department began working on during the millennium year is called the Prospective Payment System. This system provides a capped amount of payment funds for specific medical conditions. This payment system is driven by the maximum dollars that the government will pay for a specific primary diagnosis at the time of admission of the patient. Prospective Payment is a major reimbursement change for home health services and has required more attention to insuring that payment is reimbursable for a specific condition. Further, this new payment system has offered more challenges to the billing staff, with more dependance on technology.

The Berlin Health Department and Home Health Nursing Program continue to provide important services to the community into the new millennium.

Submitted by:

Laura Lee Viger

Community Services Director

| Medical Clinical Services | |
|----------------------------------|-----|
| Office Patients | 457 |
| Office Visits | 572 |

| Immunizations and Tests | |
|--------------------------------|-----|
| DTAP | 5 |
| Hepatitis B - Infants | 1 |
| Hepatitis B- Adolescent | 13 |
| Hepatitis B - Adult | 19 |
| Hib Vac | 2 |
| IPV/OPV | 8 |
| Mantoux (TB) tests | 438 |
| MMR | 9 |
| TD | 4 |
| Varicella | 3 |

| Clinic Attendance Record | |
|---------------------------------|-----|
| Flu Vaccine | 485 |
| Immunization Clinic | 26 |
| Cholesterol Clinic | 183 |
| Immunization BJHS | 170 |

| Public Health Nursing Services | |
|---------------------------------------|-------|
| Home Nursing Visits | 3433 |
| Home Nursing Patients | 215 |
| Physical Therapy Visits | 253 |
| Occupational Therapy | 150 |
| Speech Therapy Visits | 2 |
| Home Health Aide Visits | 3,633 |

| Walk-In Clinic | |
|-------------------------|-----|
| Blood Pressure Check | 157 |
| Diabetes Screening | 173 |
| Head Checks-Lice | 228 |
| Glaucoma Screening | 21 |
| Community Outreach & Ed | 230 |

City of Berlin
HEALTH DEPARTMENT
City Hall, 168 Main Street
Berlin, NH
752-1272

FREE IMMUNIZATION CLINIC

Monthly immunization clinics are held on the 2nd Tuesday of each month at the Health Department, from 9-11:30 a.m. and 1:30-3:30 p.m. Pre-registration is not required. The clinic is for children two months of age and over.

The following are available:

DTP injections; Polio vaccine; HIB injections; Measles, Mumps, & Rubella injection (after 15 months)

TB skin testing is recommended but not required before entrance to Kindergarten/first grade. TB testing is done on Mondays, Tuesdays, and Fridays, but not on a clinic day.

NOTE: If your child is ill, you should not attend the clinic; postpone your visit until your child is well.

THIS IS A FREE SERVICE PROVIDED BY YOUR HEALTH DEPARTMENT IN COOPERATION WITH THE NH DIVISION OF PUBLIC HEALTH

Should you need a Public Health Nurse at home, her services are available seven days per week; call 752-1272 for details.

COMMUNITY SERVICES DIVISION LIBRARY DEPARTMENT

"The Berlin Public Library in the New Millennium" is the theme for the future of the library. The year was filled with activity leading to the installation of new computers and the upgrading of old computers. New software available to the public for information gathering, and upgrades in the infrastructure are in the planning phase. Many beneficial improvements have been made to our library as we continue to enhance the way in which we access information.

The updating of the building, in order to allow for better use of the available space is very important and the time has come to refurbish and refresh. The new air conditioners have been installed in the adult department and the children's department, and they have been very well received by the public and by the librarians. The lighting system continues to be on hold for the present, but we hope to continue with this project in the near future.

In autumn of 1999, the Berlin Public Library presented a book discussion series entitled "Mysteries and the Cult of the Detectives" in conjunction with the New Hampshire Technical College at Berlin. This was made possible through a grant provided by the New Hampshire Council of the Humanities. This was a four part series presenting the works of different authors and how they relate to each other as mystery writers. In the spring of 2000, we presented "Short Story/Film" discussion series; the NHHC continues to provide funding for the series with in-kind participation by the librarians.

The 2000 Summer Reading Program's theme in the juvenile department was "Reading Cats

and Dogs." The focus for this summer reading program was the joy of combining kids, books and pets. This was a very successful program with 81 children registered and 1,731 books read.

This year's program provided activities every Wednesday for six consecutive weeks. In conjunction with the Summer Reading Program, the library presented a performance by Dan Grady of Dan Grady's Marionettes Productions which was held at the Berlin City Hall Auditorium for the enjoyment of all. We are very grateful to our many volunteers who so graciously give of their time each and every year. The Children's Department also presents a Story Hour every week that is very well attended; the librarians read to the children and prepare a few crafts for their enjoyment.

"Berlin in the New Millennium" will encompass a modern library prepared to meet the challenges of the new century.

Submitted by:
Yvonne Thomas
Head Librarian



BERLIN
NEW HAMPSHIRE



is a thriving and desirable community
where people work together, diversifying the
economy, promoting spiritual and cultural
heritage, protecting resources, increasing
educational opportunities, building a positive
self-image, and improving the quality of life



www.ci.berlin.nh.us

| Library Statistics 1999-00 | | | |
|----------------------------|---------------|--------------|---------------|
| Topics | Adult | Juvenile | Total |
| Generalities | 185 | 24 | 209 |
| Philosophy | 218 | 35 | 253 |
| Religion | 101 | 27 | 128 |
| Social Sciences | 749 | 413 | 1,162 |
| Languages | 20 | 46 | 66 |
| Natural Sciences | 139 | 896 | 1,035 |
| Useful Arts | 946 | 466 | 1,412 |
| Fine Arts | 564 | 461 | 1,025 |
| Literature | 199 | 165 | 364 |
| History | 55 | 182 | 237 |
| Travels | 494 | 34 | 528 |
| Biography | 161 | 181 | 342 |
| French | 28 | 0 | 28 |
| Videos | 22,684 | | 22,684 |
| Re & Comm Spr | 34 | | 34 |
| Periodicals | 3,030 | 88 | 3,118 |
| Fiction | 18,854 | 6,689 | 25,543 |
| Cassettes | 7,689 | 16 | 7,705 |
| Compact Discs | 391 | | 391 |
| Paperbacks | 3,156 | | 3,156 |
| Totals | 59,697 | 9,723 | 69,420 |

FINANCE/COLLECTIONS

The Finance and Collection Department is responsible for the accounting and record keeping of all financial transactions of the City's General Fund, as well as all other funds. The City's auditors, Vachon, Clukay & Co., PC, Manchester, New Hampshire, audited the City books and the City's detail financial reports for the General Fund, Special Revenue Funds, Capital Projects Funds, Property Fund Types, all Trust and Agency Funds, and General Long-Term Obligations are in their accompanying Audit Report for the year ended June 30, 2000.

This Department is responsible for the timely filing of all federal and state financial and tax reports, as required by the Federal Government and the State of New Hampshire. The City's financial records are maintained on the AS400 System. This Department is responsible for the following processes, and where applicable, indicates approximate number of annual transactions or parcels as well as amounts.

| PROCESSES | TRANSACTIONS | AMOUNT | OTHER PROCESSES |
|-----------------------------------|--------------|-----------------|--------------------------------|
| Accounts Payable | 6356 | \$26,567,552.00 | Tax Lien Redemptions all Years |
| Purchase Orders Issued | 1538 | | UCC's |
| Payroll - 1999 | 15749 | \$11,110,069.83 | Real Estate Collections |
| General Revenues other than Taxes | | \$9,521,785.38 | Resident Tax Collecting |
| Real Estate Warrants - 1999 | 4477 | \$9,716,755.00 | Departmental Revenues |
| State Education Warrant | | \$1,923,025.00 | Other Tax Revenues |
| Sewer Warrant - 2000 (Incs SW) | 3414 | \$1,120,244.00 | |
| Special Warrants/RE & Sewer | 10 | \$2,360.31 | |
| Tax Lien Process - 1999 | 344 | \$1,499,082.58 | |
| Motor Vehicle Registrations | 11167 | \$1,045,808.00 | |

In addition to the above, the Finance Department administers Health Insurance for the City Employees, Water Works, Cobra Extension, as well as for the City's retirees, (total employees covered - 132 members). The Finance Department also administers Life Insurance, Short Term Disability Insurance, NH Retirement System Pension, billings and collections from City Departments, retirees and COBRA extension. This Department also prepares requests for proposals for insurances for City employees.

This Office is responsible for the Central Services Purchasing and billing of gas, office supplies, copies and other purchases for City Departments and some State agencies. This Department is responsible for the record keeping of the Berlin Airport Authority, including sales of all gas and financial reporting to the Authority. The Finance Department is also responsible for the mail service of all incoming and outgoing mail for all City Hall Departments, Planning Department, as well as large bulk mailings for all other City Departments. This Department also serves, when needed, as central telephone agency for other departments.

The Finance/Collection Department has a staff of six full time employees and one part time employee (21 hours). In addition to the Comptroller/Tax Collector, staff includes the following personnel: Jeannette Laflamme, Supervisor Computer Division/Payroll; Lucille Lavoie, Accounts Payable Clerk; Paulette Frechette, Collections Clerk; Elaine Tremblay, Senior Collection Clerk, and Anita Valliere, City Accountant and JoAnn Therriault, Account/Billings Clerk

Submitted by:
Arlene Boucher
 City Comptroller/Tax Collector

[illegible]

| | 2000 Real Estate Taxes | 1999 Real Estate Taxes | 1999 Tax Liens | 1998 Tax Liens | Prior Years' Tax Liens | Sewer User Taxes | 1999 Resident Taxes | 1998 Resident Taxes |
|---------------------------------|------------------------------|------------------------------|-------------------------|----------------------|------------------------------|------------------------|---------------------------|---------------------------|
| 7/1/99 Uncollected Balance | -0- | 2,713,536. | -0- | 340,386. | 467,123. | 193,956. | 37,600. | 12,530. |
| Conversion to Lien ² | -0- | (1,342,291.) | 1,499,082. ² | -0- | -0- | (91,987.) | (420.) | -0- |
| Tax Warrants | 5,721,605. ¹ | 5,632,398. ¹ | -0- | -0- | -0- | 1,120,264 | -0- | -0- |
| Collections/Redemptions | (2,815,666.) | (6,988,062.) | (1,093,481.) | (115,444.) | (131,291.) | (1,019,591.) | (23,260.) | 30. |
| Refunds/overpayments | -0- | 15,161. | -0- | -0- | 366. | 8,542. | 180. | -0- |
| Liens-RSA-72-38A | -0- | (4,650.) | -0- | (458.) | (9,332.) | -0- | -0- | -0- |
| Abateements/Deeds/Discounts | (120.) | (25,824.) | (4,394.) | (21,830.) | (93,995.) | (15,679.) | -0- | -0- |
| Reserve-Uncollectibles | -0- | -0- | -0- | -0- | -0- | -0- | (14,100.) ³ | (12,560.) ³ |
| Uncollected Balance 6/30/00 | 2,905,819. | 268. | 401,207. | 202,654. | 232,871. | 195,505. | -0- | -0- |

| | |
|---|---------|
| Interest - Delinquent Taxes - All Years | 61,235. |
| Interest - Tax Liens - All Years | 120,996 |
| Resident Taxes - Penalties | 520. |
| Sewer Taxes - Interest | 14,164. |
| Yield Taxes | 20,309. |
| Boat Taxes | 1,435. |
| Excavation Tax | 89. |
| Excavation Activity Tax | 684. |

| | |
|----------------------|--------------------|
| Real Estate | 1,341,949. |
| Resident | 420. |
| Sewer User | 91,987. |
| Special Warrant-RE | 342. |
| Yield Tax | 4,201. |
| Interest & Penalties | 50,592. |
| Costs & Fees | 9,591. |
| | <u>\$1,499,082</u> |

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Vachon, Clukay & Co., PC

Certified Public Accountants

45 Market Street

Manchester, New Hampshire 03101

(603) 622-7074

FAX 622-1457

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, City Council and Manager
City of Berlin, New Hampshire

We have audited the accompanying general purpose financial statements of the City of Berlin, New Hampshire as of and for the year then ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Berlin, New Hampshire's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As more fully described in Note 1, the general purpose financial statements referred to above do not include the financial statements of the Public Works Pension Trust Fund, which should be included to conform with generally accepted accounting principles. The Public Works Pension Trust Fund utilizes a different year end. The amounts that should be recorded in the Public Works Pension Trust Fund as of August 31, 2000 and for the year then ended are unavailable.

As more fully described in Note 1, the general purpose financial statements referred to above do not include the financial statements of the General Fixed Asset Account Group, which should be included in order to conform with generally accepted accounting principles. The amount that should be recorded in the General Fixed Asset Account Group is not known.

In our opinion, except for the effects on the general purpose financial statements of the omission described in the preceding paragraphs, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Berlin, New Hampshire as of June 30, 2000, and the results of its operations and cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2000 on our consideration of the City of Berlin, New Hampshire's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Berlin, New Hampshire taken as a whole. The combining financial statements listed as schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Berlin, New Hampshire. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects in relation to the general purpose financial statements taken as a whole.

Vachon, Clukey & Co. PC

September 20, 2000

EXHIBIT A
CITY OF BERLIN, NEW HAMPSHIRE
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2000

| | Governmental Fund Types | | | | Proprietary Fund Types | Fiduciary Fund Types | Account Group | Totals (Memorandum Only) | |
|---|-------------------------|------------|------------------|----------------|------------------------|----------------------|----------------|--------------------------|------------------|
| | Special | | Capital Projects | Trust & Agency | | | | General Long-Term Debt | Primary |
| | General | Revenue | | | Enterprise | Government | Component Unit | | Reporting Entity |
| ASSETS | | | | | | | | | |
| Cash and cash equivalents | \$ 5,815,512 | | \$ 55,593 | | \$ 117,339 | | \$ 5,988,444 | \$ 21,637 | \$ 6,010,081 |
| Investments | 1,917,450 | | | | 472,303 | | 2,389,753 | 1,354,777 | 3,744,530 |
| Taxes receivable, net | 3,509,948 | | | | | | 3,509,948 | | 3,509,948 |
| Accounts receivable, net | 53,180 | \$ 36,793 | | \$ 228,692 | | | 318,665 | 58,442 | 377,107 |
| Due from other governments | 644,846 | 85,220 | 28,320 | 128,575 | | | 886,961 | 1,292,552 | 2,179,513 |
| Prepaid expenses | 19,549 | | | 5,000 | | | 24,549 | | |
| Due from other funds | 126,730 | 41,981 | 1,579,173 | 1,130,315 | | 1,262 | 2,879,461 | | 2,879,461 |
| Advance to other fund | | | 160,000 | | | | 160,000 | | 160,000 |
| Restricted assets - cash | 4,864 | | | | | | 4,864 | | 4,864 |
| Inventory | | 10,883 | | 21,325 | | | 32,208 | 198,055 | 230,263 |
| Property, plant and equipment, net | | | | 22,984,411 | | | 22,984,411 | 20,143,757 | 43,128,168 |
| Prepaid financing costs | | | | | | | - | 38,197 | 38,197 |
| Bond fund receivables | | | | | | | - | 1,269,953 | 1,269,953 |
| Amount to be provided for retirement of general long-term obligations | | | | | | | | | |
| Total Assets | \$ 12,092,079 | \$ 174,877 | \$ 1,823,086 | \$ 24,498,318 | \$ 590,904 | \$ 15,614,466 | \$ 54,793,730 | \$ 24,377,370 | \$ 79,171,100 |
| LIABILITIES AND FUND EQUITY | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable | \$ 197,793 | \$ 39,845 | \$ 300 | \$ 117,656 | | | \$ 355,594 | \$ 1,029,859 | \$ 1,385,453 |
| Accrued liabilities | 285,576 | | | 72,799 | | | 358,375 | 344,898 | 703,273 |
| Retainage payable | 5,400 | | | 8,173 | | | 13,573 | 214,519 | 228,092 |
| Deferred revenue | 6,251,799 | | | 107,171 | | | 6,358,970 | | 6,358,970 |
| Due to other governments | 875,169 | | | | | | 875,169 | | 875,169 |
| Due to other funds | 2,751,531 | 62,904 | 24,540 | 24,178 | \$ 16,308 | | 2,879,461 | | 2,879,461 |
| Advance from other fund | | | | 160,000 | | | 160,000 | | 160,000 |
| Due to student groups | | | | | | 112,273 | 112,273 | | 112,273 |
| Payable from restricted assets | 4,864 | | | | | | 4,864 | | 4,864 |
| Bond anticipation note payable | | | | | | | | | |
| Notes payable | | | | 129,803 | | | 129,803 | | 129,803 |
| General obligation debt payable | | | | | | | 13,232,109 | 9,230,000 | 22,462,109 |
| Capital lease payable | | | | | | | 303,014 | 47,626 | 350,640 |
| Other long-term obligations | | | | | | | 187,661 | 1,351,733 | 1,539,394 |
| Accrued compensated absences payable | | | | | | | 1,607,574 | | 1,607,574 |
| Estimated liability for landfill closure and postclosure care costs | | | | | | | 284,108 | | |
| Total Liabilities | \$ 10,372,132 | \$ 102,749 | \$ 24,840 | \$ 798,479 | \$ 128,581 | \$ 15,614,466 | \$ 27,661,027 | \$ 12,218,635 | \$ 1,082,587 |
| Fund Equity (Deficit): | | | | \$ 1,418,259 | | | | | \$ 39,879,662 |
| Contributed capital | | | | | | | | | |
| Retained earnings | | | | 21,704,122 | | | 21,704,122 | 5,066,169 | 26,770,291 |
| Fund Balances: | | | | 1,375,937 | | | 1,375,937 | 7,092,566 | 8,468,503 |
| Reserved for endowments | | | | | | | | | |
| Reserved for encumbrances | 20,026 | | | | | | | | 136,028 |
| Reserved for prepaid expenses | 19,549 | | | | | | | | 20,026 |
| Reserved for advances | | | 160,000 | | | | | | 20,026 |
| Reserved for special purposes | 8,887 | | | | | | | | 19,549 |
| Unreserved: | | | | | | | | | 160,000 |
| Designated | 1,141,179 | 91,438 | 1,645,770 | | | | | | 8,887 |
| Undesignated | 530,306 | (19,310) | (7,524) | | | | | | |
| Total Fund Equity | \$ 1,719,947 | \$ 72,128 | \$ 1,798,246 | \$ 23,080,059 | \$ 462,323 | \$ 15,614,466 | \$ 54,793,730 | \$ 24,377,370 | 2,991,859 |
| Total Liabilities and Fund Equity | \$ 12,092,079 | \$ 174,877 | \$ 1,823,086 | \$ 24,498,318 | \$ 590,904 | \$ 15,614,466 | \$ 54,793,730 | \$ 24,377,370 | 716,295 |
| | | | | | | | | | \$ 79,171,100 |

EXHIBIT B

CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Revenues, Expenditures and Changes in Fund Balances

All Governmental and Similar Trust Fund Types

For the Year Ended June 30, 2000

| | Governmental Fund Types | | | Fiduciary Fund Types | Totals (Memorandum Only) |
|---|-------------------------|--------------------|---------------------|-------------------------|--------------------------------|
| | General | Special Revenue | Capital Projects | Expendable Trust | |
| Revenues: | | | | | |
| Taxes | \$ 12,120,253 | | | | \$ 12,120,253 |
| Licenses and permits | 1,119,004 | | | | 1,119,004 |
| Intergovernmental revenues | 7,632,882 | \$ 1,091,504 | \$ 204,170 | | 8,928,556 |
| Charges for services | 1,241,708 | 547,484 | | | 1,789,192 |
| Miscellaneous revenues | 381,447 | 4,864 | 75,245 | \$ 37,261 | 498,817 |
| Total Revenues | <u>22,495,294</u> | <u>1,643,852</u> | <u>279,415</u> | <u>37,261</u> | <u>24,455,822</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 2,051,708 | | | | 2,051,708 |
| Public safety | 2,329,463 | | | | 2,329,463 |
| Airport/Aviation center | | 167,541 | | | 167,541 |
| Highways and streets | 1,383,231 | 44,230 | | | 1,427,461 |
| Health and welfare | 341,093 | 92,866 | | 8,244 | 442,203 |
| Sanitation | 506,009 | | | | 506,009 |
| Culture and recreation | 306,603 | 53,489 | | | 360,092 |
| Education | 9,431,309 | 542,924 | | 29,438 | 10,003,671 |
| Food service | | 359,473 | | | 359,473 |
| Capital outlay | 1,404,452 | 424,146 | 593,411 | | 2,422,009 |
| Debt service: | | | | | |
| Principal of debt | 1,546,703 | 18,024 | | | 1,564,727 |
| Interest and fiscal charges | 1,141,239 | 2,900 | | | 1,144,139 |
| Intergovernmental | 1,193,691 | | | | 1,193,691 |
| Total Expenditures | <u>21,635,501</u> | <u>1,705,593</u> | <u>593,411</u> | <u>37,682</u> | <u>23,972,187</u> |
| Excess of Revenues Over (Under) Expenditures | <u>859,793</u> | <u>(61,741)</u> | <u>(313,996)</u> | <u>(421)</u> | <u>483,635</u> |
| Other Financing Sources (Uses): | | | | | |
| Proceeds of long-term debt | 5,100,000 | | | | 5,100,000 |
| Operating transfers in | 71,214 | 27,144 | | | 98,358 |
| Operating transfers out | (27,144) | (20,000) | (51,214) | | (98,358) |
| Total Other Financing Sources (Uses) | <u>5,144,070</u> | <u>7,144</u> | <u>(51,214)</u> | <u>-</u> | <u>5,100,000</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>6,003,863</u> | <u>(54,597)</u> | <u>(365,210)</u> | <u>(421)</u> | <u>5,583,635</u> |
| Fund Balances (Deficit) - July 1 | (4,283,916) | 126,725 | 2,163,456 | 113,893 | (1,879,842) |
| Fund Balances - June 30 | <u>\$ 1,719,947</u> | <u>\$ 72,128</u> | <u>\$ 1,798,246</u> | <u>\$ 113,472</u> | <u>\$ 3,703,793</u> |

See notes to financial statements

CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Budgetary Basis) - General and Special Revenue Funds
For the Year Ended June 30, 2000

| | General Fund | | | Special Revenue Funds | | | Totals (Memorandum Only) | | |
|--|---------------|---------------|--|-----------------------|--------------|--|--------------------------|---------------|--|
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | | | | | | | |
| Taxes | \$ 11,874,686 | \$ 11,815,704 | \$ (58,982) | | | \$ - | \$ 11,874,686 | \$ 11,815,704 | \$ (58,982) |
| Licenses and permits | 891,617 | 1,119,004 | 227,387 | | | - | 891,617 | 1,119,004 | 227,387 |
| Intergovernmental revenues | 7,487,915 | 7,511,768 | 23,853 | \$ 1,068,454 | \$ 1,091,504 | 23,050 | 8,556,369 | 8,603,272 | 46,903 |
| Charges for service | 1,318,881 | 1,241,708 | (77,173) | 338,750 | 359,973 | 21,223 | 1,657,631 | 1,601,681 | (55,950) |
| Miscellaneous revenues | 379,200 | 381,447 | 2,247 | 350 | 4,864 | 4,514 | 379,550 | 386,311 | 6,761 |
| Total Revenues | 21,952,299 | 22,069,631 | 117,332 | 1,407,554 | 1,456,341 | 48,787 | 23,359,853 | 23,525,972 | 166,119 |
| Expenditures | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | 2,147,844 | 2,051,518 | 96,326 | | | - | 2,147,844 | 2,051,518 | 96,326 |
| Public safety | 2,318,252 | 2,277,089 | 41,163 | | | - | 2,318,252 | 2,277,089 | 41,163 |
| Airport/Aviation center | | | - | 156,900 | 167,541 | (10,641) | 156,900 | 167,541 | (10,641) |
| Highways and streets | 1,435,712 | 1,379,904 | 55,808 | | | - | 1,435,712 | 1,379,904 | 55,808 |
| Health and welfare | 460,180 | 340,549 | 119,631 | | | - | 460,180 | 340,549 | 119,631 |
| Sanitation | 502,595 | 506,009 | (3,414) | | | - | 502,595 | 506,009 | (3,414) |
| Culture and recreation | 313,884 | 306,603 | 7,281 | | | - | 313,884 | 306,603 | 7,281 |
| Education | 9,224,048 | 9,223,610 | 438 | 495,755 | 542,924 | (47,169) | 9,719,803 | 9,766,534 | (46,731) |
| Food service | | | - | 322,400 | 359,473 | (37,073) | 322,400 | 359,473 | (37,073) |
| Capital outlay | 1,395,928 | 1,406,252 | (10,324) | 449,153 | 406,296 | 42,857 | 1,845,111 | 1,812,548 | 32,563 |
| Debt service: | | | | | | | | | |
| Principal of debt | 1,546,703 | 1,546,703 | - | 8,950 | 18,024 | (9,074) | 1,555,653 | 1,564,727 | (9,074) |
| Interest and fiscal charges | 1,164,089 | 1,141,239 | 22,850 | 1,510 | 2,900 | (1,390) | 1,165,599 | 1,144,139 | 21,460 |
| Intergovernmental | 1,193,691 | 1,193,691 | - | | | - | 1,193,691 | 1,193,691 | - |
| Total Expenditures | 21,702,926 | 21,373,167 | 329,759 | 1,434,698 | 1,497,158 | (62,460) | 23,137,624 | 22,870,325 | 267,299 |
| Excess of Revenues Over (Under) | | | | (27,144) | (40,817) | (13,673) | 222,229 | 655,647 | 433,418 |
| Expenditures | 249,373 | 696,464 | 447,091 | | | | | | |
| Other Financing Sources (Uses): | | | | | | | | | |
| Proceeds of long-term debt | 5,100,000 | 5,100,000 | - | | | - | 5,100,000 | 5,100,000 | - |
| Operating transfers in | 76,215 | 71,214 | (5,001) | 27,144 | 27,144 | - | 103,359 | 98,358 | (5,001) |
| Operating transfers out | (27,144) | (27,144) | - | | | - | (27,144) | (27,144) | - |
| Total Other Financing Sources (Uses) | 5,149,071 | 5,144,070 | (5,001) | 27,144 | 27,144 | - | 5,176,215 | 5,171,214 | (5,001) |
| Excess of Revenues and Other Sources Over (Under) | | | | - | (13,673) | (13,673) | 5,398,444 | 5,826,861 | 428,417 |
| Expenditures and Other Uses | 5,398,444 | 5,840,534 | 442,090 | | | | | | |
| Fund Balances (Deficit) - July 1, 1999 - Budgetary Basis | (3,616,483) | (3,616,483) | - | 65,189 | 65,189 | - | (3,551,294) | (3,551,294) | - |
| Fund Balances - June 30, 2000 - Budgetary Basis | \$ 1,781,961 | \$ 2,224,051 | \$ 442,090 | \$ 65,189 | \$ 51,516 | \$ (13,673) | \$ 1,847,150 | \$ 2,275,567 | \$ 428,417 |

See notes to financial statements

EXHIBIT D

CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances

All Proprietary Fund Types and Similar Trust Funds

For the Year Ended June 30, 2000

| | Proprietary Fund Types | | | | | Fiduciary Fund Types | Totals (Memorandum Only) | | Totals (Memorandum Only) |
|---|------------------------|--|-------------------|--------------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------------|
| | Enterprise Funds | | | | | | Primary Government | Component Unit | |
| | Sewer Fund | Industrial Development and Park Authority Fund | Courthouse Fund | Cates Hill Landfill Fund | Total | | | | |
| Operating Revenues: | | | | | | | | | |
| Charges for service | \$ 1,137,930 | | \$ 40,780 | \$ 47,795 | \$ 1,226,505 | | \$ 1,226,505 | \$ 2,140,395 | \$ 3,366,900 |
| Intergovernmental revenue | | \$ 141,563 | | | 141,563 | | 141,563 | 137,377 | 137,377 |
| Miscellaneous revenue | | | | | - | | 16,834 | | 141,563 |
| Investment income | | | | | - | | 16,834 | | 16,834 |
| Total Operating Revenues | <u>1,137,930</u> | <u>141,563</u> | <u>40,780</u> | <u>47,795</u> | <u>1,368,068</u> | | <u>1,384,902</u> | <u>2,277,772</u> | <u>3,662,674</u> |
| Operating Expenses: | | | | | | | | | |
| Personal services | 393,566 | | 11,663 | 24,716 | 429,945 | | 429,945 | 591,621 | 1,021,566 |
| Maintenance, operations and contractual services | 194,404 | 28,833 | 810 | 7,985 | 232,032 | | 232,032 | 277,401 | 509,433 |
| Materials and supplies | 192,736 | | 2,286 | 492 | 195,514 | | 195,514 | | 195,514 |
| Utilities | 120,489 | | 14,069 | 1,244 | 135,802 | | 135,802 | | 135,802 |
| Depreciation | 724,547 | 57,359 | 390 | | 782,296 | | 782,296 | 404,675 | 1,186,971 |
| Amortization | | | | | - | | - | 2,646 | 2,646 |
| Water supply | | | | 25,644 | 25,644 | | 38,264 | 348,004 | 348,004 |
| Miscellaneous | | | | 60,081 | 60,081 | | 1,813,853 | 47,380 | 85,644 |
| Total Operating Expenses | <u>1,625,742</u> | <u>86,192</u> | <u>29,218</u> | <u>(12,286)</u> | <u>1,801,233</u> | | <u>1,813,853</u> | <u>1,671,727</u> | <u>3,485,580</u> |
| Net Operating Income (Loss) | <u>(487,812)</u> | <u>55,371</u> | <u>11,562</u> | | <u>(433,165)</u> | | <u>(428,951)</u> | <u>606,045</u> | <u>177,094</u> |
| Non-Operating Revenues (Expenses): | | | | | | | | | |
| Interest, net | (11,000) | (6,863) | | 25,650 | 7,787 | | 7,787 | (378,292) | (370,505) |
| Other income | | | | | - | | - | 73,302 | 73,302 |
| Loss on disposal of asset | | (34,878) | | | (34,878) | | (34,878) | | (34,878) |
| Bequests | | | | | - | | 1,700 | | 1,700 |
| Total Non-Operating Revenues (Expenses) | <u>(11,000)</u> | <u>(41,741)</u> | <u>-</u> | <u>25,650</u> | <u>(27,091)</u> | | <u>(25,391)</u> | <u>(304,990)</u> | <u>(330,381)</u> |
| Net Income (Loss) | <u>(498,812)</u> | <u>13,630</u> | <u>11,562</u> | <u>13,364</u> | <u>(460,256)</u> | | <u>(454,342)</u> | <u>301,055</u> | <u>(153,287)</u> |
| Add depreciation on plant assets acquired by grants externally restricted for capital acquisitions that reduces contributed capital | 531,856 | | | | 531,856 | | 531,856 | | 531,856 |
| Increase in Retained Earnings/Fund Balances | 33,044 | 13,630 | 11,562 | 13,364 | 71,600 | | 77,514 | 301,055 | 378,569 |
| Retained Earnings/Fund Balances (Deficit) - July 1, as restated | 882,530 | 583,730 | 103,968 | (265,891) | 1,304,337 | | 1,647,274 | 6,791,511 | 8,438,785 |
| Retained Earnings/Fund Balances (Deficit) - June 30 | <u>\$ 915,574</u> | <u>\$ 597,360</u> | <u>\$ 115,530</u> | <u>\$ (252,527)</u> | <u>\$ 1,375,937</u> | | <u>\$ 1,724,788</u> | <u>\$ 7,092,566</u> | <u>\$ 8,817,354</u> |

See notes to financial statements

EXHIBIT E
CITY OF BERLIN, NEW HAMPSHIRE
Combined Statement of Cash Flows
All Proprietary Fund Types and Similar Trust Funds
For the Year Ended June 30, 2000

| | Proprietary Fund Types | | | | | Fiduciary Fund Types | Totals (Memorandum Only) | Totals (Memorandum Only) |
|--|------------------------|--|--------------------|--------------------------|----------------------------|----------------------|--------------------------|--------------------------|
| | Enterprise Funds | | | | | | | |
| | Sewer Fund | Industrial Development and Park Authority Fund | Courthouse Fund | Cates Hill Landfill Fund | Non-Expendable Trust Funds | | | |
| Cash Flows from Operating Activities: | | | | | | | | |
| Cash received from services | \$ 1,113,986 | \$ 149,101 | \$ 40,789 | \$ 48,609 | \$ 1,352,485 | \$ 16,834 | \$ 2,080,284 | \$ 3,432,769 |
| Cash received on trust investments | | | | | - | | | 16,834 |
| Cash received from State of New Hampshire | | | | | - | | 137,377 | 137,377 |
| Cash paid to suppliers and employees | (910,182) | (27,333) | (29,113) | (52,695) | (1,019,323) | (12,620) | (1,484,637) | (2,516,580) |
| Net Cash Provided (Used) by Operating Activities | <u>203,804</u> | <u>121,768</u> | <u>11,676</u> | <u>(4,086)</u> | <u>333,162</u> | <u>4,214</u> | <u>733,024</u> | <u>1,070,400</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | | | | | |
| Proceeds of capital lease obligation | | | | | - | | 47,626 | 47,626 |
| Proceeds of other long-term obligations | | | | | - | | 1,351,733 | 1,351,733 |
| Principal paid on bond payable | | | | | - | | (605,000) | (605,000) |
| Interest paid on bond payable | | | | | - | | (524,266) | (524,266) |
| Principal paid on note payable | | (11,137) | | | (11,137) | | | (11,137) |
| Interest paid on note payable | | (6,863) | | | (6,863) | | | (6,863) |
| Principal paid on advance from other fund | (40,000) | | | | (40,000) | | | (40,000) |
| Interest paid on advance from other fund | (11,000) | | | | (11,000) | | | (11,000) |
| Acquisition of fixed assets | (314,558) | (221,008) | (140,098) | | (675,664) | | (1,555,550) | (2,231,214) |
| Net proceeds from sale of fixed assets | | 14,705 | | | 14,705 | | | 14,705 |
| Capital contributions | | | | | - | | 568,517 | 568,517 |
| Other non-operating revenues | | | | | - | | 73,302 | 73,302 |
| Bequests | | | | | - | 1,700 | | 1,700 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(365,558)</u> | <u>(224,303)</u> | <u>(140,098)</u> | <u>-</u> | <u>(729,959)</u> | <u>1,700</u> | <u>(643,638)</u> | <u>(1,371,897)</u> |
| Cash Flows from Investing Activities: | | | | | | | | |
| Net (increase) in investment securities | | | | | - | (6,694) | (232,680) | (239,374) |
| Interest on investments | | | | 25,650 | 25,650 | | 134,232 | 159,882 |
| Net Cash Provided (Used) by Investing Activities | | | | <u>25,650</u> | <u>25,650</u> | <u>(6,694)</u> | <u>(98,448)</u> | <u>(79,492)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | - | | | | | | | |
| Cash and Cash Equivalents, July 1 | (161,754) | (102,535) | (128,422) | 21,564 | (371,147) | (780) | (9,062) | (380,989) |
| Cash and Cash Equivalents, July 1 | <u>625,781</u> | <u>222,871</u> | <u>104,244</u> | <u>524,388</u> | <u>1,477,284</u> | <u>6,310</u> | <u>30,699</u> | <u>1,514,293</u> |
| Cash and Cash Equivalents, June 30 | <u>\$ 464,027</u> | <u>\$ 120,336</u> | <u>\$ (24,178)</u> | <u>\$ 545,952</u> | <u>\$ 1,106,137</u> | <u>\$ 5,530</u> | <u>\$ 21,637</u> | <u>\$ 1,133,304</u> |

See notes to financial statements

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Berlin, New Hampshire conform to generally accepted accounting principles for local governmental units, except as indicated hereinafter. The following is a summary of significant accounting policies:

Financial Reporting Entity

The City of Berlin, New Hampshire (the "City") was incorporated in 1829. The City operates under the City Council/City Mayor form of government and performs local governmental functions authorized by State law.

The accompanying financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types, and the cash flows of the proprietary fund types and similar trust funds types.

Generally accepted accounting principles (Governmental Accounting Standards Board Statement No. 14) require that all component units for which the City maintains financial oversight be included in the general purpose financial statements. Oversight responsibility is derived from a number of criteria including financial interdependency, selection of governing authority, designation of management, ability to influence operations and accountability for fiscal matters. The relative importance of each criteria must be evaluated in light of specific circumstances.

Although the decision to include or exclude a component unit is left to professional judgment of local responsible officials, a positive response to any of the criteria requires that the specific reason for excluding the component unit be disclosed.

Discretely Presented Component Unit

The component unit columns in the combined financial statements include the financial data of the City's component unit, the Berlin Water Works. It is reported in a separate column to emphasize that they are legally separate from the City.

The Berlin Water Works, which was incorporated as a body politic in 1925, is included because the major, with confirmation of the City Council, appoints the Water Commissioners and debt is issued by the City on behalf of the Berlin Water Works. Debt issued is backed by the full faith and credit of the City.

Separately issued financial statements of the Berlin Water Works may be obtained by writing to their Board of Commissioners at 55 Willow Street, Berlin, New Hampshire 03570-1883.

Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is a separate accounting entity. The operations of each fund are accounted for with a separate set of self-

EXHIBIT E

CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Cash Flows

All Proprietary Fund Types and Similar Trust Funds (Continued)

For the Year Ended June 30, 2000

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) by Operating Activities:

| Net Operating Income (Loss) | \$ (487,812) | \$ 55,371 | \$ 11,562 | \$ (12,286) | \$ (433,165) | \$ 4,214 | \$ (428,951) | \$ 606,045 | \$ 177,094 |
|---|--------------|------------|-----------|-------------|--------------|----------|--------------|--------------|--------------|
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | | | | | |
| Depreciation | 724,547 | 57,359 | 390 | | 782,296 | | 782,296 | 404,675 | 1,186,971 |
| Amortization | | | | | - | | - | 2,646 | 2,646 |
| Change in assets and liabilities: | | | | | | | | | |
| (Increase) decrease in accounts receivable | (23,944) | 7,538 | 9 | 814 | (15,583) | | (15,583) | (8,419) | (24,002) |
| (Increase) in prepaid expenses | (4,245) | | | | (4,245) | | (4,245) | | (4,245) |
| (Increase) decrease in inventory | (1,068) | | | | (1,068) | | (1,068) | 21,504 | 20,436 |
| (Increase) in bond fund receivables | | | | | - | | - | (51,692) | (51,692) |
| Increase (decrease) in accounts payable | (1,982) | 1,500 | | | (482) | | (482) | (282,023) | (282,505) |
| Increase (decrease) in accrued liabilities | (1,692) | | (285) | (599) | (2,576) | | (2,576) | 40,288 | 37,712 |
| Increase in estimated liability for landfill closure and postclosure care costs | | | | 7,985 | 7,985 | | 7,985 | | 7,985 |
| Net Cash Provided (Used) by Operating Activities | \$ 203,804 | \$ 121,768 | \$ 11,676 | \$ (4,086) | \$ 333,162 | \$ 4,214 | \$ 337,376 | \$ 733,024 | \$ 1,070,400 |
| Noncash Transactions Affecting Financial Position: | | | | | | | | | |
| Amortization of contributions in aid | \$ 531,856 | | | | \$ 531,856 | | \$ 531,856 | \$ 531,856 | \$ 531,856 |
| Net book value of disposed assets | | \$ 49,583 | | | 49,583 | | 49,583 | | 49,583 |
| Fixed asset additions included in year end liabilities | 66,978 | | | | 66,978 | | 66,978 | \$ 1,121,789 | 1,188,767 |
| | \$ 598,834 | \$ 49,583 | \$ - | \$ - | \$ 648,417 | \$ - | \$ 648,417 | \$ 1,121,789 | \$ 1,770,206 |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements.

Individual funds and account groups summarized in the financial statements are classified as follows:

Governmental Fund Types

General Fund - used to account for all revenues and expenditures, which are not accounted for in other funds or account groups.

Special Revenue Funds - used to account for specific restricted revenues and expenditures for various purposes. The following funds have been accounted for as Special Revenue Funds:

| | |
|------------------------------------|------------------------|
| Community Development Fund | Federal Projects Fund |
| Food Service Fund | Health Department Fund |
| Airport Authority Fund | Carberry Fund |
| Recreation and Parks Programs Fund | PSNH Grant Fund |

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment. The City accounts for the following construction projects in its Capital Projects Funds.

| | |
|---|--------------------------|
| Wastewater Treatment Fund | East Milan Landfill Fund |
| City and School Capital Improvements Fund | Cascade Bridge Fund |
| Tondreau Recreation Bridge Fund | 1993 Water Works Bond |
| 1997 School Bond Fund | |

Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows.

Enterprise Funds - These funds account for the operations of the City's Sewer Fund, Industrial Development and Park Authority Fund, Courthouse Fund and Cates Hill Landfill Fund, which provide service on a user charge basis.

Fiduciary Funds

Assets held by the City in a fiduciary capacity or as an agent for individuals, private organizations, and other governmental units, and/or other funds for various purposes. Receipts and expenditures of each fund are governed by statutes, local law, or the terms of the gift.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trust Funds - Expendable trust funds (Home Nursing Trust Fund, Berlin Trust Fund and Miles Scholarship Fund) are accounted for in essentially the same manner as governmental funds. The non-expendable trust funds are accounted for and reported as proprietary funds since capital maintenance is critical.

The Public Works Pension Trust Fund has a fiscal year ended August 31 and is audited and reported separately from other City funds. This fund unit should be included as part of the reporting entity in accordance with generally accepted accounting standards, but City officials have decided not to include it due to the different fiscal year of the entity.

Agency Funds - Agency funds are used to account for assets held by the City in a fiduciary capacity for various student groups.

Account Groups

Account groups are not funds; they do not reflect available financial resources and related liabilities, but are accounting records of general fixed assets and general long-term obligations, respectively. The following is a description of the account groups of the City.

General Fixed Asset Account Group - The City does not record the acquisition of fixed assets in the General Fixed Asset Account Group, as required by generally accepted accounting principles. Fixed assets acquired or constructed for general government services are recorded as expenditures in the fund making the expenditure. Funds used to acquire general fixed assets and/or debt service payments on borrowings in connection therewith are accounted for as expenditures in the year payments are made.

General Long-Term Debt Account Group - used to record the outstanding long-term obligations of the City, except for amounts accounted for in Proprietary Funds.

Basis of Accounting

The accrual basis is used for all proprietary fund types and non-expendable trust funds. The measurement focus of these funds is determination of net income, financial position and cash flows ("capital maintenance" focus). The City has elected not to follow the FASB pronouncements issued subsequent to November 30, 1989 in accounting and reporting for its proprietary operations.

Governmental funds utilize the modified accrual basis whereby revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when the liability is incurred, if measurable.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Licenses and permits, charges for services, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are measurable and available. (See Property Taxes for property tax accrual policies.)

During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying governmental funds and enterprise funds financial statements reflect such transactions as transfers. Non-expendable trust funds report these transactions as revenues and expenses.

Total Columns on Combined Financial Statements

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are intended to facilitate financial analysis. Interfund eliminations have not been made at arriving at the data and it is not intended to present financial position, results of operations or cash flows in accordance with generally accepted accounting principles.

Budgetary Data

The budget represents departmental appropriations as authorized by City Council. The City Council may transfer funds between operating categories as they deem necessary. The City adopts its budget under regulations of the New Hampshire Department of Revenue Administration, which differ somewhat from generally accepted accounting principles in that the focus is on the entire governmental unit rather than on the basis of fund types. Special revenue fund budgets are adopted only to the extent they interact with the general fund. Budgets for capital projects funds are adopted in the year the project is authorized and may extend over multiple accounting periods. Following is a reconciliation between the budget as presented for reporting purposes and the adopted budget.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

| | | |
|--|------------------|-----------------------------|
| Total Appropriations at June, 1999 | | |
| City Council Meeting | | \$ 22,828,991 |
| Supplemental Appropriations | | 2,210,544 |
| Budgeted abatements netted with | | |
| property tax revenues | | (103,474) |
| Perspective Differences: | | |
| Enterprise Funds | | (1,408,694) |
| General Fund operating transfer to | | |
| Special Revenue Funds | | 19,544 |
| Timing Differences: | | |
| Continued Appropriations - June 30, 1999 | | 759,036 |
| Continued Appropriations - June 30, 2000 | | <u>(1,141,179)</u> |
| General Fund | \$ 21,730,070 | |
| Special Revenue Funds | <u>1,434,698</u> | |
| Total Budget - Report Basis | | <u><u>\$ 23,164,768</u></u> |

Reconciliation of Exhibit B to Exhibit C

General Fund

Amounts recorded as budgetary amounts in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds (Exhibit C) are reported on the basis budgeted by the City. Property tax budgetary revenues are recognized when levied rather than when susceptible to accrual. General fund budgetary expenditures were adjusted for encumbrances and on- behalf payments for fringe benefits (see Note 6) as follows:

| | Revenues <u>and Transfers</u> | Expenditures <u>and Transfers</u> |
|--------------------------------------|----------------------------------|--------------------------------------|
| Exhibit B | \$ 27,666,508 | \$ 21,662,645 |
| Difference in property taxes meeting | | |
| susceptible to accrual criteria | (304,549) | |
| Encumbrances, June 30, 1999 | | (161,246) |
| Encumbrances, June 30, 2000 | | 20,026 |
| On-behalf fringe benefits | (121,114) | (121,114) |
| Exhibit C | <u><u>\$ 27,240,845</u></u> | <u><u>\$ 21,400,311</u></u> |

Special Revenue Funds

Generally accepted accounting principles require full budgetary presentation for all funds for which annual budgets are adopted. Under State regulation budgets for Special Revenue Funds are adopted only to the extent they interact with the General Fund. The accompanying financial statements therefore present only partial budgetary activity for the Special Revenue Funds. Consequently, Special Revenue

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Funds shown on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds (Exhibit C) are reported on a budgetary basis which differs from the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental and Similar Trust Fund Types (Exhibit B), which is reported in accordance with generally accepted accounting principles, as follows:

| | <u>Exhibit B</u> | Non- budgeted <u>Activity</u> | <u>Exhibit C</u> |
|---|------------------|-------------------------------------|------------------|
| Revenues | \$ 1,643,852 | \$ 187,511 | \$ 1,456,341 |
| Expenditures | <u>1,705,593</u> | <u>208,435</u> | <u>1,497,158</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(61,741)</u> | <u>(20,924)</u> | <u>(40,817)</u> |
| Other Financing Sources (Uses): | | | |
| Operating Transfer In | 27,144 | | 27,144 |
| Operating Transfers Out | <u>(20,000)</u> | <u>(20,000)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>7,144</u> | <u>(20,000)</u> | <u>27,144</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>(54,597)</u> | <u>(40,924)</u> | <u>(13,673)</u> |
| Fund Balance - July 1, 1999 | 126,725 | 61,536 | 65,189 |
| Fund Balance - June 30, 2000 | <u>\$ 72,128</u> | <u>\$ 20,612</u> | <u>\$ 51,516</u> |

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, is employed as an extension of formal budgetary integration in Governmental Funds. Encumbrances outstanding at year end are reported as a component of fund balance since they do not constitute expenditures or liabilities and are detailed by fund type and function as follows:

| | <u>General Fund</u> |
|----------------------|-------------------------|
| Public safety | \$ 150 |
| Highways and streets | 5,480 |
| Education | 9,581 |
| Capital outlay | <u>4,815</u> |
| | <u>\$ 20,026</u> |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Fund Equity

Cash and Cash Equivalents - The City pools its cash resources for the governmental and proprietary funds. Cash applicable to a particular fund is reflected as an interfund balance. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of the following:

| | <u>Cash</u> | <u>Interfund Receivables</u> | <u>Interfund Payables</u> | <u>Totals</u> |
|---|-----------------|----------------------------------|-------------------------------|---------------------|
| Enterprise Funds: | | | | |
| Sewer Fund | | \$ 464,027 | | \$ 464,027 |
| Industrial Development and Park Authority Fund | | 120,336 | | 120,336 |
| Courthouse Fund | | | \$ (24,178) | (24,178) |
| Cates Hill Landfill Fund | | 545,952 | | 545,952 |
| | <u>\$ -</u> | <u>1,130,315</u> | <u>(24,178)</u> | <u>1,106,137</u> |
| Non-expendable Trust Funds | 5,530 | | | 5,530 |
| | <u>\$ 5,530</u> | <u>\$ 1,130,315</u> | <u>\$ (24,178)</u> | <u>\$ 1,111,667</u> |

Investments - Investments are stated at their fair value in all funds. Certificates of deposit and repurchase agreements with a maturity of greater than ninety days from the date of issuance are included in investments.

Taxes Receivable - Taxes levied during the current fiscal year and prior and uncollected at June 30, 2000 are recorded as receivables net of reserves for estimated uncollectibles of \$418,575.

Prepaid Expenses - Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items.

Inventory - The City accounts for inventories under the purchase method on a first-in, first-out basis. Inventories are recorded at cost.

Property, Plant and Equipment - Property, plant and equipment are valued at cost. The City uses the straight line method for charging depreciation in the Enterprise Funds. The following are the estimated useful lives used in determining the annual charge for depreciation.

| | <u>Years</u> |
|---|--------------|
| Sewer Fund: | |
| Sewer System | 50 |
| Vehicles and equipment | 3-10 |
| Industrial Development and Park Authority Fund: | |
| Buildings and improvements | 15-30 |
| Vehicles and equipment | 10 |
| Courthouse Fund: | |
| Buildings and improvements | 30 |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City capitalizes interest costs during a project's construction period.

Deferred Revenue - Deferred revenue consists of measurable but unavailable amounts including property taxes, grant revenues, and amounts collected in advance to be recognized in future periods.

Due to Other Governments - At June 30, 2000, \$875,169 was due to the Coos County for the county tax appropriation and accrued interest. The City has set aside funds to pay this obligation.

Accrued Vacation and Sick Leave - Employees earn vacation and sick leave as they provide services. Provision is made in the annual budget for vacation and sick leave. Pursuant to City personnel policy and collective bargaining agreements, employees may accumulate (subject to certain limitations) unused sick pay earned and, upon retirement, resignation or death will be compensated for such amounts at current rates of pay. The total estimated value of accumulated compensated absences at June 30, 2000 is \$1,607,574 and has been recorded in the General Long-Term Debt Account Group. The current portion, if any, is not material to these financial statements.

Contributed Capital - Federal and State grants for the purpose of constructing enterprise fund assets are recorded as contributions to equity.

Revenues, Expenditures and Expenses

Property Taxes - Taxes are levied on the assessed value of all taxable real property as of the prior April 1 (\$298,909,944 as of April 1, 1999) and are due in two installments on July 1, 1999 and December 1, 1999. Taxes paid after the due dates accrue interest at 12% per annum. Property taxes are recognized as revenue when received in cash or if available to finance current period operations (within sixty days of year end).

Under State law, the Tax Collector obtains tax liens on properties which have unpaid taxes in the following calendar year after taxes were due for the amount of unpaid taxes, interest and costs. These priority tax liens accrue interest at 18% per annum. If the property is not redeemed within a two year redemption period, the property is tax dedeed to the City.

Property Taxes Collected for Other Governments - In accordance with State law, the City collects taxes for Coos County, an independent governmental unit, which are remitted to the County as required by law. Taxes appropriated to Coos County for the year ended June 30, 2000 were \$1,193,691. Unpaid County taxes at year end are included in the balance due to other governments. The City bears responsibility for uncollected taxes.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 2--STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

Special Revenue Funds - At June 30, 2000, the following special revenue funds were in a deficit financial position:

| | <u>Amount</u> |
|------------------------|------------------|
| Health Department Fund | \$ 3,735 |
| Airport Authority Fund | 13,901 |
| Carberry Fund | 1,674 |
| | <u>\$ 19,310</u> |

The City's management intends to rectify the condition by transferring funds from the General Fund to offset the deficit.

Capital Projects Funds - At June 30, 2000, the following capital projects fund was in a deficit financial position:

| | <u>Amount</u> |
|---------------------|---------------|
| Cascade Bridge Fund | \$ 7,524 |

The deficit in the various capital projects fund is the result of a temporary timing difference in expenditure and revenue recognition. The City intends to transfer funds from the General Fund to offset the deficit position.

NOTE 3--RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2000, the City was a member of the New Hampshire Worker's Compensation Fund. The City currently reports all of its risk management activities in its General Fund. The Trust is classified as a "Risk Pool" in accordance with generally accepted accounting principles.

The Compensation Fund was organized to provide statutory worker's compensation coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. The Trust is self-sustaining through annual member premiums and provides coverage for the statutorily required workers' compensation benefits and employer's liability coverage up to \$1,000,000. The program includes a Loss Fund from which is paid up to \$375,000 for each and every covered claim.

The Trust agreement permits the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Generally accepted accounting principles require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trust foresees no likelihood of an additional assessment for any of the past years.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 3--RISK MANAGEMENT (CONTINUED)

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at June 30, 2000.

NOTE 4--CASH AND INVESTMENTS

The City has combined the cash resources of its governmental and proprietary fund types. For accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfold balance.

The City's investment policy for governmental fund types requires that deposits and investments be made in New Hampshire based financial institutions that are participants in federal depository insurance programs. Deposits are limited to demand deposits, money market accounts, certificates of deposit and repurchase agreements in accordance with New Hampshire State law (RSA 41:29) or the New Hampshire Public Deposit Investment Pool (NHPDIP). Responsibility for the investments of the Trust Funds is with the Board of Trustees. Investments of the Student Activities Agency Funds are at the discretion of the School Principals.

At year end, the carrying amount of all the City's cash deposits, including Restricted Assets - Cash, was \$5,993,308 and the bank balance was \$5,700,000. Of the bank balance \$2,674,313 was covered by federal depository insurance or collateralized, \$13,613 was uninsured and uncollateralized and \$3,012,074 was collateralized by securities held by the bank in the bank's name (category 3 risk as described in the Governmental Accounting Standards Board Statement 3).

The City's investments are categorized to provide an indication of the level of risk assumed by the City of Berlin. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 included uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the City's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

| | Category | | | Carrying Amount |
|---|------------|----------|------|---------------------|
| | 1 | 2 | 3 | |
| Certificates of deposit | \$ 225,029 | \$ 5,861 | \$ - | \$ 230,890 |
| Investments in New Hampshire Public Deposit Investment Pool (NHPDIP) | | | | 2,158,863 |
| Total Investments | | | | <u>\$ 2,389,753</u> |

Investments in the NHPDIP are not investment securities and, as such, are not categorized by risk.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 5--PROPERTY, PLANT AND EQUIPMENT - PROPRIETARY FUNDS

The following is a summary of changes in the Proprietary Fund property, plant and equipment for the year ended June 30, 2000:

| | Balance 7/01/99 | Additions | Reductions | Balance 6/30/00 |
|---|----------------------|-------------------|---------------------|----------------------|
| <u>Sewer Fund</u> | | | | |
| Land | \$ 22,663 | | | \$ 22,663 |
| Buildings and improvements | 32,488,452 | \$ 999,541 | | 33,487,993 |
| Vehicles and equipment | 515,942 | 221,648 | | 737,590 |
| Construction in progress | 947,655 | 81,727 | \$ (947,655) | 81,727 |
| | 33,974,712 | 1,302,916 | (947,655) | 34,329,973 |
| Less: Accumulated depreciation | (11,921,077) | (724,547) | | (12,645,624) |
| | <u>\$ 22,053,635</u> | <u>\$ 578,369</u> | <u>\$ (947,655)</u> | <u>\$ 21,684,349</u> |
| <u>Industrial Development and Park Authority Fund</u> | | | | |
| Land | \$ 219,794 | \$ 159,426 | | \$ 379,220 |
| Buildings and improvements | 1,263,089 | 61,582 | \$ (125,330) | 1,199,341 |
| Vehicles and equipment | 135,242 | | | 135,242 |
| | 1,618,125 | 221,008 | (125,330) | 1,713,803 |
| Less: Accumulated depreciation | (571,837) | (57,359) | (75,747) | (553,449) |
| | <u>\$ 1,046,288</u> | <u>\$ 163,649</u> | <u>\$ (49,583)</u> | <u>\$ 1,160,354</u> |
| <u>Courthouse Fund</u> | | | | |
| Buildings and improvements | \$ - | \$ 140,098 | \$ - | \$ 140,098 |
| | - | 140,098 | - | 140,098 |
| Less: Accumulated depreciation | - | (390) | - | (390) |
| | <u>\$ -</u> | <u>\$ 139,708</u> | <u>\$ -</u> | <u>\$ 139,708</u> |
| <u>Totals</u> | | | | |
| Land | \$ 242,457 | \$ 159,426 | | \$ 401,883 |
| Buildings and improvements | 33,751,541 | 1,201,221 | \$ (125,330) | 34,827,432 |
| Vehicles and equipment | 651,184 | 221,648 | | 872,832 |
| Construction in progress | 947,655 | 81,727 | (947,655) | 81,727 |
| | 35,592,837 | 1,664,022 | (1,072,985) | 36,183,874 |
| Less: Accumulated depreciation | (12,492,914) | (782,296) | (75,747) | (13,199,463) |
| | <u>\$ 23,099,923</u> | <u>\$ 881,726</u> | <u>\$ (997,238)</u> | <u>\$ 22,984,411</u> |

NOTE 6--DEFINED BENEFIT PENSION PLAN

Plan Description

The City contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer defined benefit pension plan administered by the NHRS Board of Trustees. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature. The NHRS

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 6--DEFINED BENEFIT PENSION PLAN (CONTINUED)

issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System, 4 Chenell Drive, Concord, New Hampshire 03301.

Funding Policy

Covered public safety employees are required to contribute 9.3% of their covered salary, whereas teachers and general employees are required to contribute 5.0% of their covered salary. The City is required to contribute at an actuarially determined rate. The City's contribution rates for the covered payroll of police officers, fire employees, teachers, and general employees were 4.93%, 5.70%, 2.98%, and 4.24%, respectively. The City contributes 65% of the employer cost for police officers, fire employees, and teachers, and the State of New Hampshire contributes the remaining 35% of the employer cost. The City contributes 100% of the employer cost for general employees. In accordance with generally accepted accounting principles (GASB #24), on- behalf fringe benefits contributed by the State of New Hampshire of \$121,114 have been reported as a revenue and expenditure of the General Fund in these financial statements.

Under State law (RSA-100:16), plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The City's contributions to the NHRS for the years ending June 30, 2000, 1999, and 1998 were \$380,775, \$320,371, and \$296,466, respectively, equal to the required contributions for each year.

NOTE 7--GENERAL DEBT OBLIGATIONS

Changes in Long-term Debt - The changes in long-term obligations for the year ended June 30, 2000 are as follows:

| | Balance <u>7/01/99</u> | <u>Additions</u> | <u>Reductions</u> | Balance <u>6/30/00</u> |
|--|---------------------------|---------------------|---------------------|---------------------------|
| <u>Primary Government:</u> | | | | |
| General obligation debt | \$ 9,091,836 | \$ 5,100,000 | \$ 959,727 | \$ 13,232,109 |
| Capital lease payable | 371,163 | | 68,149 | 303,014 |
| Other long-term obligations | | 187,661 | | 187,661 |
| Compensated absences | 1,680,119 | | 72,545 | 1,607,574 |
| Landfill closure and postclosure care costs | 294,630 | | 10,522 | 284,108 |
| | <u>11,437,748</u> | <u>5,287,661</u> | <u>1,110,943</u> | <u>15,614,466</u> |
| <u>Component Unit:</u> | | | | |
| General obligation debt | 9,835,000 | | 605,000 | 9,230,000 |
| Other long-term obligations | | 1,351,733 | | 1,351,733 |
| | <u>9,835,000</u> | <u>1,351,733</u> | <u>605,000</u> | <u>10,581,733</u> |
| Total Reporting Entity | <u>\$ 21,272,748</u> | <u>\$ 6,639,394</u> | <u>\$ 1,715,943</u> | <u>\$ 26,196,199</u> |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 7—GENERAL DEBT OBLIGATIONS (CONTINUED)

At June 30, 1999, the estimated liability for landfill closure and postclosure care costs of the Cates Hill Landfill of \$790,494 was included in the General Long-Term Debt Account Group, which is not in accordance with generally accepted accounting principles. The above balance as of July 1, 1999 has been adjusted to properly reflect the reduction of this long-term obligation reported in the Cates Hill Landfill Enterprise Fund.

General Long-term Obligations

General Obligation Debt - payable at June 30, 2000 is comprised of the following individual issues:

Primary Government:

| | |
|---|--------------|
| \$3,200,000 State Guaranteed Sewer Construction Bonds due in annual installments of \$95,000 - \$300,000 through July, 2004; interest at 8.214% | \$ 1,090,000 |
| \$5,100,000 Deficit Funding Bonds due in annual installments of \$510,000 through July, 2009; interest at 4.5% - 5.25% | 5,100,000 |
| \$1,134,062 Landfill Closure Bonds due in annual installments of \$56,703 through November, 2016; interest at 4.48% | 963,953 |
| \$4,500,000 State Guaranteed School Improvement Bonds due in annual installments of \$300,000 through January, 2013; interest at 4.15% - 4.9% | 3,900,000 |
| \$1,500,000 School Improvement Bonds due in annual installments of \$100,000 through January, 2013; interest at 4.3% - 4.95% | 1,300,000 |
| \$1,200,000 State Guaranteed Sewer Construction Bonds due in annual installments of \$80,000 through July, 2002; interest at 5.4% - 8.1% | 240,000 |
| \$435,000 State Guaranteed Water Construction Bonds due in annual installments of \$30,000 through June, 2002; interest at 5.65% - 7.6% | 75,000 |
| \$1,450,000 State Guaranteed Sewer Construction Bonds due in annual installments of \$95,000 through January, 2003; interest at 5.75% - 7.75% | 285,000 |
| \$450,000 Fire Truck Bonds due in annual installments of \$45,000 through August, 2004; interest at 4.7% - 7.0% | 225,000 |
| \$69,275 Asbestos Grant Loan due in annual installments of \$5,000 through 2005 and \$1,775 in 2006 | 26,775 |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 7—GENERAL DEBT OBLIGATIONS (CONTINUED)

| | |
|---|----------------------|
| \$43,000 Airport Authority Notes due in monthly installments of \$872, including interest at 8.0%, through November, 2001 | 13,190 |
| \$43,000 Airport Authority Notes due in monthly installments of \$872, including interest at 8.0%, through November, 2002 | 13,191 |
| | <u>13,232,109</u> |
| <u>Component Unit:</u> | |
| Bond payable due in annual installments of \$150,000 through August, 2013; interest at 5.3% - 5.875% | 2,100,000 |
| Bond payable due in annual installments of \$150,000 through August, 2014; interest at 6.125% - 7.0% | 2,250,000 |
| Bond payable due in annual installments of \$305,000 through August, 2016; interest at 5.25% - 5.625% | 4,880,000 |
| | <u>9,230,000</u> |
| Total Reporting Entity | <u>\$ 22,462,109</u> |

Interest expense for the year ended June 30, 2000 was \$1,141,239 and \$512,524 on general obligation debt for the City of Berlin and the Berlin Water Works, respectively.

Capital Lease Obligations

Capital lease obligations represent lease agreements entered into for the financing of equipment acquisitions. These contracts are subject to cancellation should funds not be appropriated to meet payment obligations. Amounts are annually budgeted in the applicable function. Following are the individual capital lease obligations at June 30, 2000:

| | |
|---|-------------------|
| Equipment, due in monthly installments of \$4,708, including interest at 6.5%, through February, 2005 | \$ 285,080 |
| Equipment, due in annual installments of \$5,066, including interest at 6.239%, through November, 2001 | 9,574 |
| Equipment, due in annual installments of \$4,180, with no stated interest rate, through September, 2001 | 8,360 |
| | <u>\$ 303,014</u> |

Other Long-Term Obligations

Primary Government:

This represents the amount due to the Environmental Protection Agency of the federal government. The long-term obligation is the result of disallowed certain expenses in connection with a prior sewer project

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 7--GENERAL DEBT OBLIGATIONS (CONTINUED)

based on a close out audit. The liability of \$187,661 is to be repaid in varying installments over several years, with no interest.

Component Unit:

As of June 30, 2000, the Berlin Water Works had drawn down of four State Revolving Loan Funds a total amount of \$1,351,733. These State Revolving Loan Funds were issued in the City's name. These loans are not scheduled to be repaid until the projects are completed and all of the funds needed have been drawn down.

Summary of Debt Service Requirements to Maturity

The annual requirements to amortize all outstanding long-term obligations as of June 30, 2000, including interest of \$3,707,451 and \$3,973,509 in the primary government and the component unit, respectively are as follows:

| Year Ending <u>June 30,</u> | General Long-Term <u>Debt</u> | Capital <u>Leases</u> | Component <u>Unit</u> | <u>Total</u> |
|--------------------------------|-------------------------------------|--------------------------|--------------------------|----------------------|
| 2001 | \$ 2,138,142 | \$ 76,388 | \$ 1,097,804 | \$ 3,312,334 |
| 2002 | 2,061,008 | 78,480 | 1,066,416 | 3,205,904 |
| 2003 | 1,979,976 | 71,394 | 1,035,029 | 3,086,399 |
| 2004 | 1,716,304 | 73,624 | 1,003,266 | 2,793,194 |
| 2005 | 1,360,240 | 50,106 | 971,148 | 2,381,494 |
| 2006-2010 | 5,852,212 | | 4,360,414 | 10,212,626 |
| 2011-2015 | 1,663,673 | | 3,357,284 | 5,020,957 |
| 2016-2017 | 121,027 | | 312,148 | 433,175 |
| | <u>\$ 16,892,582</u> | <u>\$ 349,992</u> | <u>\$ 13,203,509</u> | <u>\$ 30,446,083</u> |

The State of New Hampshire annually reimburses the City for its share of Sewer related debt service payments. For the year ended June 30, 2000, the reimbursement was \$283,529.

Under state law, the City is required to issue general obligation debt for the Berlin Water Works (a component unit of the City). Accordingly, this general obligation debt is recognized as a liability of the Berlin Water Works and is not recorded in the general long-term debt account group. The Commissioners of the Berlin Water Works have agreed to reimburse the City for the annual principal and interest payments on this debt. For the year ended June 30, 2000, the reimbursement was \$1,129,266, which consists of \$605,000 in principal and \$524,266 in interest.

CITY OF BERLIN, NEW HAMPSHIRE**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)****June 30, 2000****NOTE 8--NOTES PAYABLE**

The Berlin Industrial Development and Park Authority Fund is directly liable for several notes payable. The proceeds of the notes were used to construct buildings and improvements at the Industrial Park. Following is a summary of changes in notes payable for the year ended June 30, 2000:

| | |
|-------------------------------|-------------------|
| Notes payable - July 1, 1999 | \$ 140,940 |
| Obligations retired | (11,137) |
| Notes Payable - June 30, 2000 | <u>\$ 129,803</u> |

Notes payable at June 30, 2000 is comprised of the following issues:

| | |
|--|-------------------|
| \$206,107 Note payable to Berlin Economic Development Council, Inc. secured by land and building due in monthly installments of \$1,500, including interest at 6.0%, through October, 2007 | \$ 108,303 |
| \$21,500 Note payable to Berlin Economic Development Council, Inc. secured by land and building due in a balloon payment in October, 2007, interest at 0% | 21,500 |
| | <u>\$ 129,803</u> |

The annual requirements to amortize the notes payable as of June 30, 2000 are as follows:

| Year Ending <u>June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|-------------------|------------------|-------------------|
| 2001 | \$ 11,823 | \$ 6,177 | \$ 18,000 |
| 2002 | 12,553 | 5,447 | 18,000 |
| 2003 | 13,327 | 4,673 | 18,000 |
| 2004 | 14,149 | 3,851 | 18,000 |
| 2005 | 15,022 | 2,978 | 18,000 |
| 2006-2008 | 62,929 | 3,267 | 66,196 |
| | <u>\$ 129,803</u> | <u>\$ 26,393</u> | <u>\$ 156,196</u> |

NOTE 9--LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City place a final cover on its two landfills when closed and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. An estimated liability has been recorded based on the future closure and postclosure care costs that will be incurred near or after the date the landfills no longer accept waste. These landfill closure and postclosure care costs are based on the amount of the landfills used. The estimated liability for landfill closure and postclosure care costs has a balance of \$1,082,587 as of June 30, 2000, which is based on 100% usage of the East Milan landfill and 100% usage of the Cates Hill landfill. The estimated liability for the closure and postclosure care costs of the East Milan landfill (\$284,108) and the Cates Hill landfill (\$798,479) has been reported in the General Long-Term Debt Account Group and the Cates Hill Landfill Enterprise Fund, respectively. The East Milan landfill was capped during fiscal year 1997, and the Cates Hill landfill is expected to be capped during fiscal year 2001. The estimated total current

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 9--LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)

cost of the landfill closure and postclosure care of \$1,082,587 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the landfills were acquired as of June 30, 2000. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The closure costs of the East Milan landfill were financed through the issuance of debt under the State of New Hampshire, State Water Pollution Control Revolving Fund Program. The remaining closure and postclosure care costs are expected to be financed from the motor vehicle surcharge collected in the Cates Hill Landfill Enterprise Fund. The City has also entered into an intermunicipal agreement with surrounding communities for the reimbursement of their share of the landfill closure and postclosure costs.

NOTE 10--DEFERRED REVENUE

General Fund - The City has recorded deferred property and revenues collected in advance and recognizable in future periods as follows:

| | |
|---|---------------------|
| Semi-annual tax warrant due July 1, 2000 | \$ 5,721,605 |
| Taxes levied and not received within 60 day recognition period | 524,130 |
| Unexpended grant proceeds | 6,064 |
| | <u>\$ 6,251,799</u> |

Enterprise Funds - Deferred revenue in the Enterprise Funds at June 30, 2000 consists of revenues collected in advance and recognizable in future periods as follows:

| | |
|------------|-------------------|
| Sewer Fund | <u>\$ 107,171</u> |
|------------|-------------------|

NOTE 11--INTERFUND BALANCES

Interfund receivables/payables at June 30, 2000 are as follows:

| <u>Fund</u> | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|------------------------------------|----------------------------------|-------------------------------|
| General Fund | \$ 126,730 | \$ 2,751,531 |
| Special Revenue Funds: | | |
| Community Development Fund | 5,170 | |
| Federal Projects Fund | | 7,668 |
| Food Service Fund | 15,960 | |
| Health Department Fund | | 31,932 |
| Airport Authority Fund | | 22,728 |
| Carberry Fund | | 576 |
| Recreation and Parks Programs Fund | 20,851 | |

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2000

NOTE 11--INTERFUND BALANCES (CONTINUED)

| | | | |
|--|---------------------|---------------------|--|
| Capital Projects Funds: | | | |
| Wastewater Treatment Fund | 189,403 | | |
| East Milan Landfill Fund | 114,853 | | |
| City and School Capital Improvements Fund | 10,469 | | |
| Cascade Bridge Fund | | 14,920 | |
| Tondreau Recreation Bridge Fund | 16,583 | | |
| 1993 Water Works Bond Fund | 1,247,865 | | |
| 1997 School Bond Fund | | 9,620 | |
| Enterprise Funds: | | | |
| Sewer Fund | 464,027 | | |
| Industrial Development and Park Authority Fund | 120,336 | | |
| Courthouse Fund | | 24,178 | |
| Cates Hill Landfill Fund | 545,952 | | |
| Trust and Agency Funds: | | | |
| Home Nursing Trust Fund | | 16,308 | |
| Miles Scholarship Fund | 62 | | |
| Student Activities Agency Funds | 1,200 | | |
| Total | <u>\$ 2,879,461</u> | <u>\$ 2,879,461</u> | |

NOTE 12--ADVANCE TO/FROM OTHER FUND

At June 30, 2000, \$160,000 was due to the Wastewater Treatment Capital Projects Fund from the Sewer Enterprise Fund. The Sewer Enterprise Fund makes annual principal payments of \$40,000 and interest.

NOTE 13--CONTRIBUTED CAPITAL - PROPRIETARY FUNDS

Changes in the contributed capital accounts in the Sewer Fund and the Industrial Development and Park Authority Fund are summarized as follows:

| | Balance <u>7/01/99</u> | <u>Contributions</u> | <u>Amortization</u> | Balance <u>6/30/00</u> |
|---|---------------------------|----------------------|---------------------|---------------------------|
| Sewer Fund | \$ 21,675,811 | | \$ (531,856) | \$ 21,143,955 |
| Industrial Development and Park Authority Fund | 560,167 | | | 560,167 |
| Total | <u>\$ 22,235,978</u> | <u>\$ -</u> | <u>\$ (531,856)</u> | <u>\$ 21,704,122</u> |

NOTE 14--NON-EXPENDABLE TRUST FUNDS

The principal amounts of all non-expendable trust funds are restricted in that only income earned may be expended. Principal and income balances at June 30, 2000 are as follows:

| | <u>Principal</u> | <u>Income</u> | <u>Total</u> |
|----------------|-------------------|-------------------|-------------------|
| Cemetery Funds | <u>\$ 136,028</u> | <u>\$ 212,823</u> | <u>\$ 348,851</u> |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 15--RESERVED FOR SPECIAL PURPOSES

The balance reserved for special purposes at June 30, 2000 is as follows:

| | |
|-------------------|-----------------|
| Unity Street Park | \$ 2,614 |
| Sanitary landfill | 6,273 |
| | <u>\$ 8,887</u> |

NOTE 16—UNRESERVED DESIGNATED FUND BALANCES

General Fund

Appropriations for certain projects and specific items not fully expended at year end are carried forward as continuing appropriations to the next year in which they supplement the appropriations of that year. Following are continuing appropriations at June 30, 2000:

| | |
|----------------------|---------------------|
| General government | \$ 11,373 |
| Public safety | 17,097 |
| Highways and streets | 89,889 |
| Sanitation | 8,831 |
| Capital outlay | 928,561 |
| Debt service | 85,428 |
| | <u>\$ 1,141,179</u> |

Special Revenue Funds

| | |
|------------------------------------|------------------|
| Community Development Fund | \$ 5,170 |
| Federal Projects Fund | 4,757 |
| Food Service Fund | 60,660 |
| Recreation and Parks Programs Fund | 20,851 |
| | <u>\$ 91,438</u> |

Capital Projects Funds

| | |
|---|---------------------|
| Wastewater Treatment Fund | \$ 189,103 |
| East Milan Landfill Fund | 114,853 |
| City and School Capital Improvements Fund | 10,469 |
| Tondreau Recreation Bridge Fund | 16,583 |
| 1993 Water Works Bond Fund | 1,268,789 |
| 1997 School Bond Fund | 45,973 |
| | <u>\$ 1,645,770</u> |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 16—UNRESERVED DESIGNATED FUND BALANCES (CONTINUED)

Expendable Trust Funds

| | |
|-------------------------|-------------------|
| Home Nursing Trust Fund | \$ 88,381 |
| Berlin Trust Fund | 2,163 |
| Scholarship Fund | 22,928 |
| | <u>\$ 113,472</u> |

NOTE 17--NET WORKING CAPITAL

The net working capital for the individual enterprise funds as of June 30, 2000 is as follows:

| | |
|--|-------------------|
| Sewer Fund | \$ 562,158 |
| Industrial Development and Park Authority Fund | 115,153 |
| Courthouse Fund | (24,178) |
| Cates Hill Landfill Fund | (7,404) |
| | <u>\$ 645,729</u> |

NOTE 18--TOP TAXPAYERS

The following are the five major property owners as they relate to the 1999 assessed property valuation of \$298,909,944:

| <u>Taxpayer</u> | <u>1999 Property Valuation</u> | <u>Percentage of Total Valuation</u> |
|---------------------------------|------------------------------------|--|
| Pulp/Paper of America LLC | \$ 74,990,300 | 25.09% |
| Public Service of New Hampshire | 33,727,300 | 11.28% |
| Portland Natural Gas | 9,805,100 | 3.28% |
| Individual taxpayer | 1,724,000 | 0.58% |
| Doane-Ruggles Inc. | 1,307,200 | 0.44% |

NOTE 19—RESTATEMENT OF RETAINED EARNINGS

At June 30, 1999, the estimated liability for landfill closure and postclosure care costs of the Cates Hill Landfill was included in the General Long-Term Debt Account Group, which is not in accordance with generally accepted accounting principles. Retained earnings of the Cates Hill Landfill Enterprise Fund as of July 1, 1999 has been restated as follows:

| | |
|---|---------------------|
| Retained Earnings, July 1, 1999 (as previously reported) | \$ 524,603 |
| Amount of restatement due to estimated liability for landfill closure and postclosure care costs | (790,494) |
| Retained Earnings, July 1, 1999 - as restated | <u>\$ (265,891)</u> |

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE 20--CONTINGENT LIABILITIES

Litigation

During the year ended June 30, 1999, there was a court rendered decision against the City regarding retirement benefits. Per the court, the City and New Hampshire Retirement System shall enroll each petitioner in the State's retirement system. In addition, within thirty days from the date of the Court order, the petitioners are to choose one of the following options. Under the first option, the City shall transfer the funds from the local pension plan to the State Retirement System and permit the petitioners to buy back any amount of years they can afford. The second option states that the City shall pay the petitioners the balance of the funds held in each petitioner's account with the local pension plan. The balance held in the Public Works Pension Trust as of June 30, 2000 is unavailable. Currently, the petitioners have filed an appeal with the New Hampshire Supreme Court to reverse the decision.

Other Contingencies

The City participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Other than the disallowed expenditures as determined by the Environmental Protection Agency (see Notes 7 and 20), the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects amounts, if any, to be immaterial.

NOTE 21--SUBSEQUENT EVENT

During August 2000, the Environmental Protection Agency (EPA) completed its review of the close out audit in connection with a prior sewer project, which was partially funded with a federal grant. The EPA disallowed certain expenses and has determined that \$187,661 is to be repaid by the City. This obligation of the City has been included in the General Long-Term Debt Account Group as of June 30, 2000.



Snow Removal at the Berlin Airport - Photo by Eric Kaminsky

MAYORS OF THE CITY OF BERLIN

The Honorable...

| | | | |
|---------------------|-----------|-----------------------|------------|
| Henry F. Marston | 1897-1899 | Paul A. Toussaint | 1947-1950 |
| John B. Noyes | 1899-1900 | Aime Tondreau | 1950-1957 |
| Frank L. Wilson | 1900-1901 | Guy Fortier | 1957-1958 |
| Fred M. Clement | 1901-1902 | Laurier A. Lamontagne | 1958-1962 |
| John B. Gilbert | 1902-1905 | Edward L. Schuette | 1962-1965 |
| George E. Hutchins | 1905-1908 | Dennis Kilbride | 1965-1966 |
| Fremont D. Bartlett | 1908-1910 | Norman J. Tremaine | 1966-1968 |
| Daniel J. Daley | 1910-1915 | Earl F. Gage | 1968-1970 |
| George F. Rich | 1915-1919 | Norman J. Tremaine | 1970-1972 |
| Eli J. King | 1919-1924 | Sylvio J. Croteau | 1972-1976 |
| J.A. Vaillancourt | 1924-1926 | Laurier A. Lamontagne | 1976-1978 |
| Eli J. King | 1926-1928 | Leo G. Ouellet | 1978-1982 |
| Edward R. B. McGee | 1928-1931 | Joseph J. Ottolini | 1982-1986 |
| W.E. Corbin | 1931-1932 | Roland W. Couture | 1987-1990* |
| O.J. Coulombe | 1932-1934 | Willard Dube | 1990-1990 |
| Daniel J. Feindel | 1934-1935 | Leo G. Ouellet | 1990-1994 |
| Arthur J. Bergeron | 1935-1938 | Yvonne Coulombe | 1994-1996 |
| Matthew J. Ryan | 1938-1939 | Richard P. Bosa | 1996-1998 |
| Aime Tondreau | 1939-1943 | Robert DePlanche | 1998-1998 |
| Carl E. Morin | 1943-1946 | Richard D. Huot | 1998-2000 |
| George E. Bell | 1946-1947 | Robert Danderson | 2000- |

* Change in election year and change in date oath of office is taken, as of October 5, 1987.

CITY MANAGERS OF THE CITY OF BERLIN

| | |
|-----------------------|-----------|
| Stanley Judkins | 1962-1966 |
| Joseph Burke | 1970-1973 |
| James C. Smith | 1973-1978 |
| Michael L. Donovan | 1978-1983 |
| Mitchell A. Berkowitz | 1983-1998 |
| George E. McMahon | 1998-1998 |
| Robert L. Théberge | 1999- |

